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NEWS SUMMARY

GENERAL

Vauxhall 17,000 on short time

Vauxhall has told 11,000 Luton and Ellesmere Port motor workers that they face short-time working for the rest of the year. And 6,000 workers at its Dunstable trucks plant face redundancies from September, in addition to short-time.

This means all four of Britain's major car-makers have large numbers of staff on short-time.

Vauxhall blames the recent steep fall-off in demand and says its position is very serious. Back Page

Hostages released

Welsh heiress Mrs. Teleri Jones and her Harrow schoolboy son Owain, 16, who were kidnapped by bandits from the family's Colombian ranch on January 4, have been released, in good health.

Observer appeal

The National Graphical Association, the print union, has appealed to Atlantic Richfield, the U.S. oil group which owns The Observer, to intervene in the machine managers' dispute, which threatens to close the newspaper. The N.G.A. says the management has refused to increase its offer and has declined a compromise.

Belfast air cut

British Midland Airlines is to cut its Gatwick-Belfast return fare to £66—£20 less than British Airways' shuttle price—from October 1. Back Page

Pirates warned

Transport Department officials have cautioned coach booking agents that they will not tolerate unauthorised London-Athens trips. Three Britons were killed in two crashes last week, in trips alleged to be in breach of safety rules.

Unsunny Britain

The sun shines least on Britain and Ireland . . . birth rate is highest in Ireland and lowest in West Germany . . . road deaths per head are lowest in Britain, highest in Belgium, Luxembourg and France . . . the Dutch live longer and spend less time in hospital—EEC statistics from a newly published report.

Grouse race

The grouse shooting season opens today. Onslow Arms, Clandon, Surrey, landlord Alan Peck, has hired the Red Devils parachute team (dressed as chefs) in a bid to be first to serve the birds.

Uranium stolen

Australia ordered tighter security after the discovery of the theft of two tonnes of £71,000-worth of uranium oxide from a Queensland mine.

Barred bars?

The U.S. and Canadian arms of Cadbury-Schweppes have been charged with smuggling chocolate labelled "reject candy bars" into the U.S. from Canada at a border post in Vermont in a bid to beat import quotas.

Briefly . . .

Rotherham police have closed a mosque after violent clashes between two sects.

Two British Red Cross teams have left for drought-stricken Herrer province, S.E. Ethiopia.

Cricket: Fifth English-West Indies Test (Headingley). No play, rain.

Countess of Arran became first woman to drive t 100 mph in a speedboat, on Lake Windermere.

BUSINESS

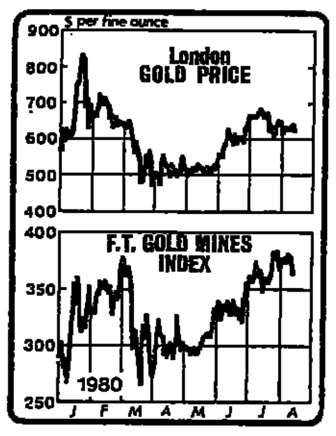
Gold off $16; mines fall 16.9

● GOLD lost $16 an oz in London to close at $617.50. Page 17

● STERLING closed unchanged against the dollar at $2.3720, after an uneventful day in foreign exchange markets. Its trade weighted index was unchanged at 75.5. Page 17

● DOLLAR fell against the D-mark to DM 1.7825 (DM 1.7840). Its index was unchanged at 84.5. Page 17

● EQUITIES traded quietly and the FT 30-share index closed 2.1 off at 497.1, after being 2.4 down



at one stage. GOLDS came back following the bullion price fall, and the Gold Mines index lost 16.9 to 362.3. Page 28

● GILTS failed to attract support after last week's rally, the Government Securities index closing 0.28 down at 69.53. Page 28

● WALL STREET was up 1.71 at 956.40 shortly before the close. Page 20

● COMPANIES could be given the legal right to cancel the shares of investors who refuse to reveal their identities, a Department of Trade consultative document suggests. Back Page

● INDUSTRIALISTS had belatedly begun to tell the Government that its policies were going badly wrong, Mr. Len Murray, TUC general secretary, said. Page 8

● THE CBI has told Euro MPs that it will refuse to support an EEC directive on worker directors if it includes any reference to statutory enforcement of worker representatives on boards. Page 7

● CHANCELLOR Helmut Schmidt is ready to intervene personally in the dispute between the West German Mannesmann steel concern and IG-Metall, the metalworkers' union, over a planned merger of divisions. Back Page

● SHAREHOLDERS in the 47 Iranian banks nationalised last June will receive compensation amounting to IR 61bn, equivalent to about £367m. Back Page

● MARCONI Avionics has been awarded a contract worth a possible £42m by the U.S. Air Force aeronautical systems division. Page 8

● ROCKWELL International, in conjunction with its U.S. partner, Pegler Hattersley, has sold its interest in McEvoy Oilfield Equipment to Smith International of California for $80m (£34m).

COMPANIES

● TRANSPORT Development Group reports an increase from £9.56m to £12.21m in taxable profits for the first half of this year. Page 14

● PRE-TAX profits of the Manchester Ship Canal Company fell from £1.97m to £356,000 in the first half to June 30, but the interim dividend is held at 7.5p per £1 share. Page 14

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Boots	222	+ 5
British Sugar	260	+ 8
Carron	30	+ 4
Derriiron	30½	+ 3
Fobel Intl.	28xd	+ 4
Forward Technlgy.	118	+ 9
Highland Distil'ries	119	+ 5
Home Charm	102	+ 6
House of Fraser	146	+ 6
Johnson Matthey	206xc	+ 8
Lex Service	86xd	+ 6
Marchwiel	100	+ 6
Medminster	33½	+ 4½
Muirhead	140	+ 8
Pegler-Hattersley	122	+ 6
Plessey	226	+ 5
Ryl. Bk. of Scotland	86	+ 5
Smith Whitworth	9	+ 3
Thorn EMI	336xd	+ 10½
Vosper	140	+ 7
Yarrow	240	+ 10
Burmah Oil	199	+ 6
LASMO	720	+ 26
Shell Transport	418	+ 8
Tricentrol	344	+ 10
Ultramar	354	+ 8
Ashton Mining	142	+ 12
Berjuntai Tin	245	+ 30
Cons. G.F. Australia	450	+ 30
CRA	284	+ 16
Metals Expln.	75	+ 5

FALLS

Treas. 11¾pc 1991 A (£20 pd.)	£17⅝	− 1
Treas. 13pc 2000 (£75 pd.)	£75⅞	− 1
General Accident	298	− 4
London Brick	72	− 4
Nottingham Manf.	89	− 7
Tube Inv.	246	− 4
Blyvoor	649	− 57
Kloof Gold	£13	− 1½
Western Deep	£20	− 1½

Inflation pressures ease as material and fuel costs fall

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

INFLATIONARY PRESSURES are now clearly easing in Britain. Cost of materials and fuel has fallen in the past three months while prices of manufactured products are increasing much more slowly than earlier this year.

This moderation primarily reflects the combination of the strong pound and the deepening world recession. These have made it more difficult for companies to raise prices. Consequently, the slowdown has to a large extent been at the cost of reduced profit margins for industry.

The wholesale price indices published yesterday by the Department of Industry confirm earlier indications that the inflationary upsurge of the past two years is dying away.

This is highlighted by the index of prices charged for manufactured products in the home market. This index rose by 4.5 per cent from January to April, but increased by only just over 3 per cent in the three months to July.

These figures are in line with the evidence of the Confederation of British Industry survey, which has shown a steadily falling proportion of manufacturing companies intending to raise their selling prices in face of falling demand.

Those sectors such as textiles and clothing which have faced the toughest competition have made the smallest price increases in recent months.

The weakness of demand has already started to affect retail prices, as will be shown by the July index due to be published on Friday.

There has not so far been significant moderation in unit cost increases. Labour costs, about two-thirds of the total, have been rising more rapidly

WHOLESALE PRICES
(1975=100)

		Materials and fuel purchased	Output (home sales)
1979	1st	153.4	161.6
	2nd	163.3	168.0
	3rd	169.9	176.4
	4th	183.9	181.8
1980	1st	197.2	191.4
	2nd*	201.3	199.1
	May	200.4	199.0
	June*	201.1	201.2
	July*	201.9	203.1

* Provisional

Source: Department of Industry

than selling prices in the last year.

Though there have been reports of lower pay increases in parts of manufacturing industry.

Raw material and fuel costs are now a more favourable influence. The latest figures show that the material costs index dropped by 0.2 per cent from April to July after a 4.5 per cent rise in the previous three months.

This reflects both a decline in the world prices of some commodities and the reduction in sterling cost of imported materials caused by the rise in the value of the pound.

The detailed figures show that the costs index rose by 0.4 per cent last month to 201.9 (1975=100). For the fourth month running the 12-month rate of increase fell slightly, from 20.8 per cent in June to 20.1 per cent last month.

Cost of materials bought by manufacturing companies outside the food, drink and tobacco sectors rose by 0.2 per cent last month. Higher prices for gold, copper and titanium were partly offset by lower sterling prices for crude oil.

The index for output prices charged for manufactured products rose by 0.9 per cent last month to 203.1 (1975=100).

The 12-month rate of increase slipped from 17.8 in June to 16.2 per cent last month. Prices charged by companies outside the food, drink and tobacco sectors rose by 0.9 per cent last month.

Prices of manufactured food products also rose by just under 1 per cent.

Higher prices for chocolate confectionery, meat products and sugar made the largest contribution. The materials costs of food companies rose by 0.5 per cent last month, mainly as a result of higher prices for home-produced wheat and imported sugar.

Retail sales rise, Page 6

Government borrowing higher than expected

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BORROWING BY central government was higher than expected in the first four months of the current financial year, mainly because of the financial squeeze on nationalised industries and the sharp rise in defence spending.

Treasury figures published yesterday show that central government borrowed £5.41bn between April and July.

This compares with a figure of £3.82bn for the same period last year and a total of £9.3bn for the whole of 1980-81 projected by the Treasury at the time of the March Budget.

The Government still appears confident that there will not be an overshoot in 1980-81. In a recent Parliamentary written answer Sir Geoffrey Howe, the Chancellor, said he had no reason to suppose that central Government borrowing was not on course for the financial year as a whole.

City analysts and some official advisers are not as optimistic and there have been rough-and-ready estimates of a possible overshoot of at least £500m to £1bn.

The Treasury statement yesterday said central Government borrowing was usually high in the early months of the financial year. The trend is more pronounced this year primarily because of the revised timing of payments of petroleum revenue tax—now due in September and March.

This official explanation accounts for only part of the large rise in borrowing this year and other factors are more worrying.

Between April and July consolidated fund expenditure, the largest component of central government spending, was 26½ per cent higher than a year ago, compared with a Budget forecast of a 20 per cent rise for the whole of 1980-81.

A large part of this overshoot can be explained by the surge in defence spending and officials hope that the squeeze on the Department's budget will restrain spending

The other main overshoot has been in borrowing by nationalised industries from central government — £656m in four months compared with a projected total of £800m for the whole of 1980-81. Some of this may be explained by borrowing ahead of recently announced price rises.

Local authority borrowing was also very high in July, at £217m, and there may be problems on this account because of overspending by many councils.

Analysts are also concerned that the recession may push up borrowing by depressing revenue and by pushing up spending on social security benefits. But in the first four months of the year tax revenue was buoyant, with consolidated fund revenue up 21 per cent compared with a Budget forecast rise of 20 per cent for the whole year. This partly reflects the impact of income tax receipts produced by the rapid growth of average earnings.

In July, central government borrowing was £824m compared with £27m in July last year.

Film saves silver, Ilford claims

BY DAVID FISHLOCK, SCIENCE EDITOR

A BRITISH research laboratory claims to have invented the world's first commercial black-and-white photographic film that needs no silver to create the image on its negative.

Though the film itself uses silver, the metal is dissolved completely in the processing, and can be reclaimed from the chemical solutions.

The new film, called Ilford XP1 400, was invented at the Brentwood, Essex, research laboratories of the Ciba-Geigy subsidiary.

Ilford plans to launch it next month at Photokina, the bi-annual photographic exhibition in Cologne, and to market it first in West Germany.

Dr. Alan Wilson, product manager for Ilford's black-and-white film, said yesterday that the film should be available in Britain early next year.

He described the new film as a premium one, capable of "superb image quality," and aimed primarily at the professional photographer and "keen amateur."

It is a fast film offering very fine grain at 400 ASA, and expected to sell for about 20 per cent more than standard black-and-white film.

The company attributes the invention to Dr. Jim Doyle, an emulsion chemist at its research laboratories. In the short term its advantage lies in the quality, and hence sharpness and contrast, of the image, the company said.

The film is aimed at the premium end of the market, accounting for only a few per cent of sales.

In the longer term, the fact that no silver remains locked up in the chemistry of the negative could reduce the industry's demand for fresh silver. At present about 30 per cent of the silver used to make black-and-white film remains in the negative.

Spot fall puts squeeze on N. Sea crude

BY RAY DAFTER, ENERGY EDITOR

NORTH SEA oil producers are coming under increasing pressure to lower contract prices in the light of falling spot prices.

One independent producer, which normally trades on the spot market, was last week forced to sell a tanker full of UK crude at more than $3 a barrel below the official reference level of $36.25.

British National Oil Corporation, the biggest trader of North Sea crude, has just persuaded some of its regular customers to buy a significant additional amount of oil — believed to be about 50,000 barrels a day — on contract terms because it was concerned it might have to sell at a discount on the spot market.

Oil refiners — some with North Sea interests themselves —are beginning to argue that BNOC should take th lead in trimming contract rates. At a time when supplies are well in excess of demand the action could act as a further dampener on world oil prices, they say. According to Petroleum Intelligence Weekly, the authoritative oil industry newsletter, refiners are urging North Sea price cuts to be backdated to July 1.

BNOC, which sells about 900,000 barrels a day of crude oil, said last night: "Nobody has yet requested us to reduce prices. However, we are continually looking at the question of prices."

The corporation, and other big North Sea producers such as British Petroleum, Shell and Exxon, have been encouraged by the Government to follow world pricing trends. This has resulted in UK tariffs being linked to those of the three main African exporters (Algeria, Libya and Nigeria) which produce oil of similar quality to North Sea crudes. The oil is among the highest priced in the world: Nigeria is charging $37.02 a barrel for its Bonny Light oil, Libya has set $37 a barrel for its Zueitina crude, and Algeria has fixed a base rate of $37 plus $3 refundable exploration charge.

But the slack oil market, caused by over-supply and a severe drop in demand, has resulted in sharp falls in spot rates. In the case of high quality African and North Sea crudes, spot prices are now lower than contract rates.

Industry reports suggest that small North Sea cargoes have been offered up to $4.20 a barrel below contract levels. Competitive African oils have been available at $5 to $6 below official levels. Earlier this year, when Nigerian Bonny Light oil was fetching about $30 a barrel for contract deliveries, spot rates were soaring to between $38 and $41 a barrel.

One reason for the turn-round has been Saudi Arabia's decision to continue producing at its above-average rate of 9.5m barrels a day in spite of falling demand. The high output — in sharp contrast to production cuts by other members of the Organisation of Petroleum Exporting Countries —is being maintained by Saudi Arabia in a bid to restore greater pricing unity among the major exporters.

For the same reason, the Saudis have maintained their reference crude price at $28 a barrel, $4 a barrel below the ceiling level set for Gulf crudes at the last OPEC meeting in Algiers in June. However, there is increasing speculation in the industry that Saudi Arabia might add $2 a barrel in the next month or two.

Tern oilfield development, Page 6.
Record response to licence round, Back Page.

Oil found in search for water

A NORTH SEA drilling team has accidentally found oil—while looking for water—our Energy Editor writes.

A group, led by Occidental Petroleum, was drilling a water injection well some 2½ miles north of its Claymore Field when it struck oil.

Undeterred, Occidental has continued its quest for water.

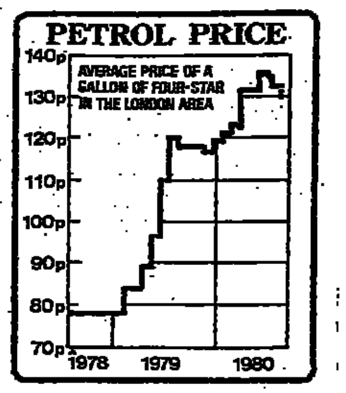
The company is now drilling a hole at an angle to the oil discovery well which, it hopes, will eventually be used to carry water needed to help drive oil and gas out of the Claymore Field.

In a unique North Sea operation, Occidental hopes to tap a source of water high up in the under-sea rock structure and to allow the fluid to flow down the water injection well to a geological zone level with the Claymore Field.

But it is not turning its back on the oil. Occidental and its partners have decided to order a £250,000 eight-well drilling frame from Blackwall Engineering.

The discovery, which could contain recoverable reserves of about 50m barrels, is thought to be part of the Claymore complex.

Interests in the discovery, which have still to decide on a development scheme, are Occidental, Getty, Allied Chemical and Thomson.



Esso cuts price of petrol

By Sue Cameron

ESSO IS to step up the petrol price war today by making a 1.73p a gallon cut in its wholesale prices—up to 2p off at the pumps if passed on in full to the motorist.

But the petrol price cuts will be on an unofficial basis and will last for eight weeks only. The group's published wholesale prices will remain unchanged—but garages will be invoiced at the new lower charge from today. Esso, one of the two leaders in the UK petrol market, will review its pricing policy in October.

Shell, which runs neck-and-neck with Esso on British petrol sales, is expected to cut its prices within the next few days. BP Oil, which ranks third in the marketplace, is also thought likely to give customers the opportunity to further reduce pump prices.

Both Esso and Shell formally cut their wholesale petrol prices by 1.73p a gallon at the start of last month. The two companies, which together account for about 40 per cent of the UK petrol market, admitted that the cuts had been forced on them by stiff competition at the pumps.

Over the past six weeks the average pump price of four star has fallen from 134p-135p a gallon to only 131p-132p and it is not uncommon for garages to charge at little as 129p. Esso yesterday admitted that the petrol price battle had spread throughout the country. It was no longer restricted to areas such as the North East where pricing is traditionally keener than in most other regions.

This was why Esso opted for an across-the-board cut in its wholesale price instead of offering price support to small

Continued on Back Page

£ in New York

	Aug. 8	Previous
Spot	$2.3730-70	$2.3760-3770
1 month	1.37-1.32 dis	1.50-1.45 dis
3 months	3.70-3.65 dis	3.75-3.70 dis
12 months	8.00-7.90 dis	8.10-8.00 dis

CONTENTS

For latest Share Index 'phone 01-246 8026

Italy's coalition looks increasingly fragile since the Bologna bombing, writes **Rupert Cornwell** in Rome

Cossiga takes his troubles away for the summer

THE four-month-old Italian coalition of Christian Democrats, Socialists and Republicans faces a series of severe problems, any one of which, or combination of which, could confirm the widespread expectation of another government crisis this autumn.

Politicians yesterday broke up for a shorter summer recess than usual—having failed for once to settle outstanding problems in a rush of early August activity, and thus clear the decks for a comparatively fresh start in September.

This time several delicate issues are hanging fire, in the general climate of malaise and bitterness left by the terrorist *bombing at Bologna on* August 2, as a result of which 79 people have *now* lost their lives.

Nothing did more to damage the confidence of the coalition partners than the heckling and jeering of the 300,000 crowd gathered at last week's funeral. It was directed at all the ruling politicians, most notably at Sig. Francesco Cossiga, the Prime Minister, and Sig. Bettino Craxi, the Socialist leader.

Although the scene of the incidents was the Communist stronghold of Bologna, there was no mistaking the intensity of public frustration at the failure of this Administration, and its Christian-Democrat-led predecessors, to bring random terrorism under control.

Fragile base

The jitteriness was most immediately visible among the Socialists, always the most sensitive single component of the fragile base on which any Italian Government is founded. Socialist Cabinet ministers last weekend issued a statement lamenting the Government's lack of executive authority, and underlining the party's refusal to put up indefinitely with the sniping from the Christian Democrat wing which would prefer closer ties with the Communists rather than the Socialists.

The statement, moreover, *explicity referred to another* ingredient of the current malaise, the visible strain and weariness of Sig. Cossiga himself, subject in the past two months to enormous personal pressures.

First the Prime Minister had to fight an exhausting battle over the Government's economic package in early July. Then came the parliamentary impeachment proceedings over whether he had violated state secrets in the Donat Cattin terrorist case, and finally the harrowing episode of Bologna.

It may be that both Sig. Cossiga's resilience, and a measure of political calm and understanding, will be restored by the short holiday lull. But any respite is likely to be short-lived.

Soon after ferragosto, the mid-August shut-down, Parliament's lower house will reassemble to examine the Government's economic proposals, *with the possibility* of further strenuous opposition from the Communist Party.

Relations between Socialists and Christian Democrats, for their part, will again be tested by two specific issues: the formation of governments in some of the regions, which have still not been decided more than two months after last June's local elections and the controversial joint venture between the state-controlled car concern Alfa Romeo, and Nissan of Japan.

The Alfa-Nissan decision, now postponed until mid-September, has produced an almost vertical split in the Government, betwen the Socialists, who are in favour of the deal, and most Christian Democrats and Republicans, who are against it.

Underlying the row is the widespread fear of a very uncomfortable autumn on the bites deeper. In the eye of any storm will be the troubled motor industry, where Fiat, the country's biggest private group and an opponent of the Alfa-Nissan scheme, is theratening heavy redundancies this autumn if the slump in the car market continues.

New measures

In a wider sense, the economy could further aggravate relations between Christian Democrats and Socialists, should any fresh restrictive measures prove necessary this autumn. hTe latest jump in inflation, back up to an annual rate of almost 22 per cent in July, is not an encouraging pointer.

Against this background, the Bologna bombing, which in one way or another can work only to the Communists' advantage, could not have come at a worse moment.

The Communists, by opposing the Government across the board, have demonstrated that the Italian system, so complicated and full of checks and balances, is to all intents unworkable without a modicum of accommodation with them.

The Communists have made clear that their hard line is aimed at getting rid of the present Government (the first for six years in Italy to have a built-in parliamentary majority without Communist participation), and at replacing it with one more to their liking.

For a while this line seemed counter-productive, and merely strengthened the cohesion of the three coalition parties. But Bologna has changed this impression, and the trials of the autumn will be the main test both for Sig. Cossiga and for the survival of his Government.

Sig. Cossiga: visible strain and weariness

North Sea oil strike negotiation fails

By Fay Gjester in Oslo

THE LIKELIHOOD that Norway's Government will intervene to halt the month-old strike on Norwegian mobile oil rigs appeared to be increasing yesterday. A weekend meeting between representatives of the rig owners and the seamen's union ended in deadlock, and a further session today of all the parties involved — including representatives of the officers' and engineers' unions—proved equally fruitless.

The Government arbitrator, who called yesterday's meeting, said the two sides were still too far apart for voluntary arbitration to have any chance of success.

The Government can stop the strike by referring the dispute to compulsory arbitration, but has hesitated so far in the face of strong union opposition. Late last week, however, it asked the strike-hit oil companies to report by yesterday on how the strike was affecting them.

Mr. Reiulf Steen, the Shipping Minister, has declared already that the unions and employers should have reached agreement by now. He added that the Government could not be influenced by the threats of some workers that they might ignore an order to return to work.

The strike, affecting 22 rigs in Norwegian and British waters of the North Sea, plus two in more distant areas, has virtually halted exploration drilling on Norway's continental shelf. Also because construction and hotel platforms are affected, the dispute has seriously hampered offshore construction and maintenance work on both sides of the North Sea.

The companies drilling on three north Norwegian blocks only recently opened for exploration have warned that they may not be able to complete even one well apiece before the summer operating season ends.

Originally it was planned to drill a total of five wells on the three blocks between May 15 and October 1. The start of work was delayed by extra rig inspection ordered after the Alexander Kielland hotel platform capsized earlier this year.

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Cyprus talks resume

By Our Nicosia Correspondent

INTERCOMMUNAL talks resumed in Cyprus at the weekend after a break of more than a year. The Greek Cypriots made a procedural concession by agreeing to the use of the word "bizonal" in the opening statement from Dr. Kurt Waldheim, the United Nations Secretary-General.

Dr. Waldheim said his "understanding" was that both sides supported "a federal solution of the constitutional aspect and a bizonal solution of the territorial aspect of the Cyprus problem."

Shortly afterwards, however, President Spyros Kyprianou, the Greek Cypriot leader, warned that if the Turks tried to use the term "bizonal" to promote a partition there would be "no room for progress or negotiation." Greek Cypriots insisted on a "biregional" federation, with the central government having powers to ensure the unity of the country.

Mr. Rauf Denktash, the Turkish Cypriot leader, said *Greek Cypriots should forget* about the refugee problem. The whole question of people displaced in the 1974 war had been "settled"

Mr. Kyprianou refuted this.

HOSPITAL PROJECT KICKBACKS CLAIMED TO RUN INTO MILLIONS

Corruption row shakes Austria's leaders

BY PAUL LENDVAI IN VIENNA

AUSTRIA'S BUSINESS and *political communities are in the midst of an upheaval caused by* allegations of what may prove to be the country's biggest corruption scandal since the war.

Nine businessmen and officials have been detained pending investigation of allegations that kickbacks running into millions of Austrian schillings were paid in connection with the construction of a huge hospital in Vienna.

Chief contenders

On the political side, the affair indirectly involves the two chief contenders for the succession to Dr. Bruno Kreisky, the 69-year-old Chancellor and head of the Socialist Party. They are Herr Leopold Gratz, Mayor of Vienna, and Dr. Hannes Androsch, Minister of Finance, who are ultimately responsible for the company set up jointly by the municipality and the Government to run the Vienna hospital project.

The 2,100-bed hospital complex, which will be one of the largest in Europe, has been under construction for several years. It is expected to be completed by 1986. Costs have shot up to ASch 37bn (about £1.3bn) and may eventually reach *ASch 50bn, including interest* charges.

Those detained include the executive director of the hospital company; a director of the local affiliate of ITT; and four directors of Siemens Austria.

A series of allegations *published in the Austrian press* and by the prosecutor in charge of the case say that millions of schillings in kickbacks have been transferred to accounts in several countries, including Liechtenstein. Austrian investigators have been to Liechtenstein in search of evidence.

The opposition People's Party, beaten by Dr. Kreisky's Socialists *in* three successive elections, has demanded an emergency meeting of Parliament, interrupting the summer recess, and is widely expected to call for a vote of no confidence in Dr. Androsch, who is Vice-Chancellor besides being in charge of the country's finances.

Chancellor Bruno Kreisky (left) has repeatedly clashed with his deputy Dr. Hannes Androsch (right).

Repeated clases

Dr. Androsch has repeatedly clashed with Dr. Kreisky, most recently when he opposed the Chancellor's proposal to defeat tax dodgers by imposing a withholding tax on the interest paid on savings books. Early this year Dr. Kreisky insisted that Dr. Androsch must give up his personal control over Consultatio, one of the biggest chartered accountancy firms in Austria. The Finance Minister put his 51 per cent shareholding into trusteeship. His wife owns *24 per cent of the shares.*

The firm is mentioned in some handwritten notes from the executive director of the hospital company which have been seized by the police. The somewhat cryptic words are: "*Consultation also indirectly.*"

Dr. Androsch has firmly denied any connection between his firm and the hospital affair: But he has admitted publicly that he recommended a man whom the Vienna city authorities placed in charge of all hospitals. That man has now been detained.

Matters have been further stirred by Herr Gerhard Bauer, an executive director of Consultatio until a few weeks ago, who has admitted to the authorities that he forgot to declare assets of ASch 2m in his personal tax return. Herr Bauer is currently negotiating the sale of his shares in Consultatio to Dr. Androsch.

A parliamentary commission has for some weeks been investigating the allegations surrounding the Vienna hospital, which clearly are political dynamite. Opinion polls, the results of which, have not been officially published, are said to show an unprecedented degree of popular dissatisfaction *with the Socialist Party. The* People's Party may have found an issue to break the Socialist majority. But the elections are still four years off: much can happen in the meantime.

Danish defence challenge

By Hilary Barnes in Copenhagen

The Danish Government's claim that it never agreed to the NATO target to increase *defence spending* by 3 per cent a year has been challenged by Mr. K. B. Andersen, the former Foreign Minister, who took part in the NATO Council meeting in Washington in 1978 at which the target was decided.

The Government is planning to freeze defence spending at constant prices, *although defence chiefs have* warned that this will rapidly reduce the armed forces' fighting strength by about one-third.

Mr. Andersen recalled that although Denmark technically had reserved *its position, Mr. Anker Joergensen, the Prime* Minister, told Parliament after the Washington meeting that the NATO target would "play an *important* role in deciding on the future defence effort."

Mr. Henning Christoffersen, *the Liberal leader and former* Foreign Minister, recently warned the Government that, if it persists in freezing defence spending, it may be defeated this winter

WAGE RATES RISING FASTER THAN COMPETITORS'

W. German costs top big league

BY KEVIN DONE IN FRANKFURT

WEST GERMANY has the highest labour costs among the larger industrialised countries, according to a study by the Institute of the German Economy. Three of its smaller trading partners, however, have even higher labour costs, largely because of the more inflated level of social contributions required of employers.

Among its major trading rivals, West Germany widened its labour costs gap with the U.S. and Canada last year, while its relative position against France, the UK, Italy and Japan showed no significant deterioration.

Belgium has the unenviable position of being the most expensive of all the industrialised countries in which to employ labour, followed closely by Sweden and the Netherlands. Hourly labour costs in Belgium —the hourly wage plus social costs—reached a peak last year of DM 21.53 (£5.14), compared with DM 21.14 (£5.05) in West Germany, DM 16.95 (£4.05) in the U.S., DM 11.77 (£2.81) in Japan and only DM 10.20 (£2.43) per hour in the UK.

Despite the relative weakness of the Deutsche Mark in the European Monetary System in recent months, the steady appreciation of the West German currency over the past decade has ensured that the Federal Republic's wage costs by international comparison have risen faster than those of most other major industrial countries.

Reckoned in local currencies, for example, Italian wage rates have risen by 423 per cent from 1970-1979. UK wage rates by 268 per cent and French rates by 230 per cent.

The higher levels of inflation in these countries, and the resulting currency devaluations, however, mean that the equivalent increases in Deutche Marks have been only 99 per cent, 64 per cent and 115 per cent, compared with a Deutsche Mark increase in West German wage rates of 101 per cent.

WAGE COSTS IN MANUFACTURING INDUSTRY—1979 (in DM)

	Total labour costs per hour	Average hourly wage	Additional social costs per hour
Belgium	21.53	12.41	9.12
Sweden	21.36	12.95	8.41
Netherlands	21.18	12.07	9.11
West Germany	21.14	12.46	8.68
Switzerland	20.62	14.22	6.40
Denmark	20.29	16.80	3.49
U.S.	16.95	12.24	4.71
Italy	15.25	7.33	7.92
Canada	15.05	11.71	3.34
France	15.05	8.41	6.64
Austria	14.14	7.56	6.58
Japan	11.77	9.69	2.08
UK	10.20	7.85	2.35
Spain	10.16	6.39	3.77
Ireland	8.98	6.96	2.02
Greece	6.25	4.11	2.14

Figures based on average 1979 exchange rate.
Source: Institute of the German Economy

Apart from the substantial appreciation of the Deutsche Mark—in the past decade it has gained 164 per cent against the lira, 125 per cent against sterling and 100 per cent against the U.S. dollar—the other major factor pushing up West German wage rates has been the rise in employers' social contributions. Last year these social costs were equivalent to an extra 69.7 per cent on the hourly wage rate against less than 30 per cent in several other countries, including the UK and Japan.

One of the most significant turn-arounds in West German labour cost comparisons has occurred with the U.S.. Whereas in 1970, U.S. labour costs were about 68 per cent higher than the West German level, last year, West German employers found themselves paying 25 per cent more per hour than their U.S. rivals.

The most dramatic change has occured, however, between the U.S. and Japan. Whereas in 1970, U.S. labour costs were four times higher than Japanese levels, last year, U.S. costs—reckoned in D-marks — were less than one and a-half times higher last year.

Sweden may raise VAT to over 22%

By William Dullforce in Stockholm

SWEDEN'S non-Socialist coalition intends to raise value added tax from September in an effort to curb domestic demand. The exact amount of the increase will be decided after talks on Friday, to which the Government has invited the Social-Democrat opposition.

A 2 to 3 per cent rise has been anticipated in public discussion. A 3 per cent increase would take Sweden's VAT to over 22 per cent.

The VAT increase was originally planned to form part of a belt-tightening economic programme to be launched in the autumn but the three coalition party leaders decided yesterday that the deterioration in the economic outlook called for swifter action.

Mr. Thorbjorn Falldin, the Prime Minister, said that while the OECD was forecasting a 1-2 per cent drop in total demand in its area during the second half of this year, Sweden faced the prospect of an increase of 4.5 per cent.

The country could not continue to consume at a rate which was out of line with its production and export capacities, Mr. Falldin said. He also mentioned a currency outflow of SKr 2.5bn-SKr 2.8bn (£255m-£300m) from Sweden during the three months to the end of July.

Sweden's external position is causing most concern. In the first six months, the trade deficit reached a record SKr 6bn, boosted by the halt to exports during the May general strike and the subsequent dockers' strike.

Recent estimates suggest a payments deficit of close to SKr 20bn for the year as a whole.

The non-Socialists, who have only a one-seat majority in parliament, also want to discuss with the opposition plans to reduce public spending by SKr 7bn in the next budget year.

Mr. Olof Palme, the Social-Democrat leader, said yesterday his party was ready to talk about economic policy but only if the Government took no binding decisions beforehand

Nationalist disavows terrorism as bomb wave rocks Corsica

BY DAVID WHITE IN PARIS

AMID A fresh series of bomb attacks in Corsica and a French police round-up of suspected terrorists, Dr. Edmond Simeoni, the best-known of the island's nationalist leaders, has disclaimed any association with the armed clandestine movement and reaffirmed his aim of achieving limited autonomy by legal means.

Dr. Simeoni, one of three brothers who have long been regarded as figureheads of the Corsican separatist movement, told a meeting of the Corsican People's Union (UPC) in Corte, the island's spiritual capital, that co-operation with the Corsican National Liberation Front (FNLC) had to be ruled out.

"While internal autonomy can count on a large consensus among the population," he said, "independence, by contrast, is rejected by the great majority of the Corsican people because it implies an armed national liberation struggle and a victory, which is unthinkable."

Both groups are offshoots of the defunct Corsican Regional Action organisation founded by the Simeonis in the late 1960s. The UPC functions as a normal political party, the FNLC as an underground guerrilla group.

Dr. Simeoni's remarks were in response to a charge by M. Michel Debré, a leading Gaullist and defender of French unity, who accused the UPC of being a propaganda front for terrorists.

Since the arrest last week of M. Jeannick Leonelli, accused of taking part in a machine gun attack on French police guards outside the Iranian Embassy in Paris in May, three other alleged FNLC members have had their cases referred to the state security court.

A further three suspects were due to be sent to the French capital today.

On Saturday night a police station on the island was peppered with bullets from an automatic weapon and a house was damaged by a bomb. The attacks followed a series of explosions at electricity installations.

Tension in Corsica reached a peak last January when a policeman and two civilians were killed in shooting incidents and separatists held hostages in a hotel in the capital, Ajaccio.

M. Christian Bonnet, the Interior Minister, later accused the Corsican separatist movement of being manipulated from abroad. This charge was vehemently rejected by Dr. Simeoni, who has also campaigned for the release of suspected terrorists.

Wider row threatens over Air Portugal

By Jimmy Burns in Lisbon

THE CRITICAL financial state of Air Portugal, the Portuguese national airline, is threatening to provoke a serious row within the country's troubled public sector and stir up further the rivalries beween Ministries.

Industry officials, say the airline have requested Government permission to defer an estimated Es 960m (£8.3m) payment owed to Petrogal, the national oil company, in advance of the next three months' supply of jet fuel.

The request apparently has been turned down by Sr Alvaro Barreto, the Minister for Industry, on the grounds that it might set a precedent for other debt-ridden public companies. The centre-right Government is officially committed to withdrawing from the interventionist policies followed by its Socialist predecessors.

Sr Barreto is involved because Petrogal is his Ministry's responsibility. He was also chairman of the company until recently.

However, Air Portugal is nominally the responsibility of Sr Viana da Baptista, the Minister of Transport, who is yet to take any action on the airline's request. A final decision can only be taken at Cabinet level when Ministers have returned from holiday later this month.

In the absence of any formal Government involvement, Air Portugal and Petrogal are locked in heated negotiations. Even before the latest request, industry officials estimated the airline owed Petrogal about £43m, equivalent to about 18 months' fuel supply. Much of this debt should have been liquidated earlier this year as a result of a financial recovery scheme agreed by the management and the Government, but this is being reconsidered because of the crippling three weeks pilots' strike which ended on July 14.

Air Portugal's troubles have already contributed to a considerable souring of relations within the hitherto cohesive ruling Democratic Alliance. With less than three months before the general election, Sr. Francisco Sa Carneiro, the Prime Minister, has no wish for a Cabinet split. However, it realised that any further hesitation over the airline risks the company becoming bankrupt.

Call for nuclear bomb demonstration

GENEVA — Dr. Sigvard Eklund, director-general of the International Atomic Energy Agency, yesterday proposed a demonstration nuclear explosion to create a massive world reaction against nuclear weapons.

His proposal came at the opening session of the United Nations conference to review progress in implementing the 1968 nuclear non-proliferation treaty.

He said there were now 50,000 nuclear weapons whose combined explosive power equalled more than a million of the bombs dropped on the Japanese city of Hiroshima

"How I wish that in a way consistent with the limited test-ban treaty the nuclear weapon powers would now arrange a demonstration explosion of a weapon . . . to give . . . an idea of the destructive power . . .

Reuter

Dutch industrial output down from earlier peak

BY CHARLES BATCHELOR IN AMSTERDAM

DUTCH INDUSTRIAL production fell in June from an unusually high level the preceding month. However, activity increased in the first six months of the year compared with the same period of 1979, although picture is distorted by the effect of bad weather conditions early last year.

Activity in the manufacturing, minerals and gas industries fell by 3 per cent between May and June, according to provisional and seasonally adjusted figures from the Central Statistics Office. Manufacturing output alone was down 4 per cent.

In the first six months activity rose by 2 per cent throughout industry and by 4 per cent in manufacturing. The food and tobacco, textile, wood and furniture, paper, printing and metal industries performed better than industry as a whole in the April-to-June period. Below average activity was reported by the clothing, leather, oil, chemicals and building sectors.

Meanwhile, inflation continued to accelerate in July in spite of the restraining influence of the summer sales. The increase in the first seven months of the year was 4 per cent, suggesting the cost of living will rise by nearer 7 than 6 per cent in 1980 as a whole.

Inflation rose 0.9 per cent in July after falling 0.1 per cent in June. Much of the rise resulted from the annual increase in controlled rent levels announced by the Goverment, but furniture, gas and fresh vegetables also rose.

Summer sales reduced the average price of some items, notably clothing and shoes. Fresh fruit was also cheaper.

Dustmen go back to work in Warsaw

WARSAW — Striking dustmen returned to work in all sections of Warsaw yesterday but bus drivers at two depots walked out for higher pay, dissidents said.

The dustmen, who had been on strike since Tuesday, resumed work after accepting an agreement including wage rises, promises of meat supplies in their special shops and improved working conditions.

The dissident Self-Defence Committee (KOR) said that police had released one of the leaders of the striking dustmen after holding him for seven hours. This marked the first time police had taken any action against strikers since labour unrest broke out at the beginning of July.

Reuter

Belgian Budget adds up to austerity package

BY GILES MERRITT IN BRUSSELS

THE BELGIAN Government has drawn up a 1981 Budget aimed at substantially reducing the public sector borrowing requirement and the net deficit on State spending.

But the Budget being proposed by Mr. Wilfried Marten's coalition Government also adds up to a stern austerity package that will considerably raise the prices of petrol, diesel fuel and liquid propane gas by increasing the VAT rate on fuels from the present 16 per cent to 25 per cent.

The public sector borrowing requirement for next year is to be BFr 242bn (£3.6bn), which as a proportion of gross national product will reduce the rate from 7.3 per cent of GNP in 1980 to 6.4 per cent next year.

Mr. Marten's overall target in restoring balance to the Belgian State's finances has since last year been to reduce government borrowing to about 5 per cent of GNP by 1982.

The Belgian Government's net deficit is due to be BFr 90.7bn next year, as against BFr 100.7bn for 1980. Total receipts are being calculated for 1981 at BFr 1,104.2bn, and government spending is being set at BFr 1,194.9bn.

One victim of the tight discipline being imposed on Belgian Government departments is the defence budget, due to rise by only 8.3 per cent

Jurek Martin, David Buchan and Nancy Dunne report on the Garden

Carter, Kennedy battle for support of minorities

"I BELONG to no organised party. I am a Democrat." Little has changed since Will Rogers, America's homespun humourist, cracked that truism nearly half a century ago, and the party's task this week—as every four years—is to whip its diverse elements back into line to face the Republicans this autumn.

The loyalties of the 3,331 Democratic delegates assembled in New York's cavernous Madison Square Garden are deeply torn between President Jimmy Carter and Senator Edward Kennedy who is using every possible procedural issue to reverse his defeat in this year's primary elections and wrest the nomination from the President at the last minute.

Both camps—the middle-of-the-road Carter forces and the liberal Kennedy troops have been battling to win the support of the minorities which make up the Democratic Party. The backdrop to the struggle is this ethnically and racially diverse city of 7m people, a suitable microcosm of the party's composition. For several days Senator Kennedy has been barnstorming around the delegations and caucuses, pitching high his traditional appeal to minorities, and Vice-President Walter Mondale has been leading the effort to try to head him off until President Carter arrives here from Camp David on Wednesday.

"The party is stronger because of its diversity," Mr. Mondale said yesterday in an attempt to put a brave front on the liberal-moderate rift and make it seem just another of the Democrats' amiable eccentricities.

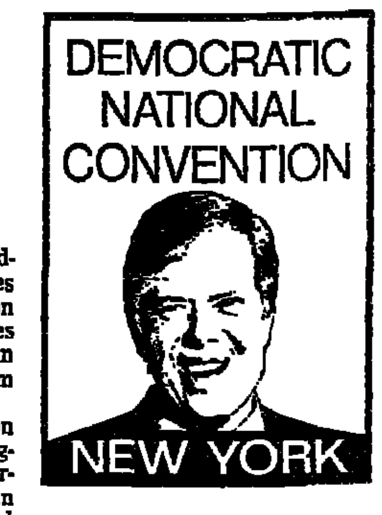
In strongest evidence are the traditional minorities. Women make up half the Democratic delegates compared with only 29 per cent at last month's Republican Convention in Detroit. This reflects the general appeal to women of the Democratic Party's stand on equal rights and abortion.

Scarcely visible in Detroit, blacks make up 14 per cent of the delegates here this week—up from 11 per cent (which happens to be their share of the total population) at the 1976 Democratic Convention. For good measure, there are also 31 Asian delegates, 19 American Indians, six Hawaiians and three Creoles (from Southern Louisiana).

Minorities have traditionally found a warmer welcome among Democrats than Republicans, who have baulked at setting quotas for minority representation in their party hierarchy. So, the fastest growing ethnic minority in the country, Hispanic speaking Hispanics have fielded no less than 203 delegates or 6 per cent of the total, and homosexuals—men and women—number 77 among the over 3,000 delegates and their alternates. Most of the minority groups, holding endless backroom Press conferences had pushed for a convention "opened up" to allow delegates to vote for whom they please, in the hope that this will give them greater leverage.

Foreshadowing this confusion inside the Garden were a ragbag of groups holding an "alternative" convention outside in the streets on Sunday. Ringed by police in a show of security smacking of the recent Moscow Olympics, "delegates" cheered speakers ranging from farm state Socialists, animal rights activists, anti-nuclear lobbyists to Puerto Rican "freedom fighters."

All this diversity is creating a major problem of organisation for the city and party managers. In Detroit last month, the Republicans were more fortunate; the convention complex was more than big enough to handle all activities, while the city itself was, in good measure, indifferent to what was going on.



But New York is. well. New York. It is not about to cease its unique daily grind simply because a few thousand Democrats and many more Press and other hangers-on have descended on it. Hotels are overflowing and the traffic jams worse than ever, making it difficult for the politicians and Press to hop from caucus to lobby and back to caucus with any ease. Apart from the big arena, the Garden is a rabbit warren of back corridors, jammed with the lost vaguely asking the disoriented how to get from A to B.

Moreover, and this is bad news for the Democrats, the Press is *grumbling*. It is not just that their cherished work spaces are scattered all over the place. The principal grouse is that the convention passes are being issued daily—not as a packet in advance, as with Republicans. The result is that many reporters have had to give up ferreting and digging away for stories to stand for hours in line outside one small office.

Worst of all, New Yorkers are in a somewhat surly mood this week. Their beloved New York Yankees lost three baseball games in a row to the challenging Baltimore Oriels who, it so happens, are owned by Mr. Edward Bennet Williams, leader of the drive to "open" the convention. *In each game, the* Oriels came dramatically from behind in the late innings. Perhaps there is a moral in this.

This disgruntled Texas farmer gave away buttons leaving his message outside Madison Square Garden.

NY seeks further $900m loan guarantees

By David Lascelles in New York

NEW YORK, still struggling to extricate itself from its financial problems yesterday said it would have to borrow even more money and raise taxes again to bridge next year's expected budget deficit and keep the city going till 1984.

But though the announcement contained few surprises, the plan is unlikely to go down well either with New York's hard-pressed residents, or with Washington, which has little patience with New York's problems.

Mayor Edward Koch told a Press conference at City Hall that New York had asked the U.S. Treasury for $900m (£379m) in new Federal loan guarantees. This is the maximum available under a standby arrangement which was tagged on to the 1978 Federal financial rescue package, from which New York has already drawn $4.5bn.

Although the Treasury is authorised to grant these new loan guarantees, approval is not automatic, and there is always a possibility that it may turn down all or part of the request. If it does not think New York is exercising tight enough control over its budget.

Mr. Koch also proposed a 20-cents increase in the city's real estate tax rate, and various other measures, including an expansion of the city's lucrative off-track betting monopoly. He did not, however, propose to increase the city's 8 per cent sales tax or the city income tax, as had been widely feared.

Mr. Koch yesterday put New York's expected 1982 *budget deficit for the year* starting July 1, 1981 at $750m on a budget of about $13bn. This is considerably less than the $1.2bn that officials mentioned last month after the city reached a generous wage agreement with its municipal unions, but it is also somewhat higher than the $450m given last week by the city's comptroller, Mr. Harrison Goldin.

The original Federal rescue was supposed to get New York back on its feet financially by the end of next year, so that it could borrow on its own account again for the first time since 1975. However, despite some highly unpopular budget-paring by Mr. Koch, it is quite obvious that this deadline will not now be met.

If the present plan succeeds, a new deadline might realistically be set for 1984-1985.

Iran Parliament gives vote of confidence to new PM

BY PATRICK COCKBURN IN TEHRAN

THE IRANIAN Parliament yesterday gave a vote of confidence to the new Prime Minister, Mr. Mohammed Ali Rajai, by 153 votes out of 196. Twenty-four Deputies voted against, with 19 abstentions.

A strict Moslem, Mr. Rajai is not a member of the Islamic Republican Party which dominates Parliament, but he is very close to it.

He will now form his own Cabinet, but his nominations for Cabinet posts must be confirmed by President Abol Hassan Bani-Sadr, under the Constitution. The formation of the Cabinet may well be attended by the same disputes between Parliament and President which delayed the nomination of a Prime Minister for the whole of last month.

It is not clear if Mr. Rajai reached an agreement on the members of his Cabinet with President Bani-Sadr before being nominated, but relations between the two are distinctly cool.

In a recent speech, President Bani-Sadr said: "Mr. Rajai listens to others, but then does exactly what he wants to do."

The President has reportedly insisted that most of the economic Ministries should remain in the hands of his supporters. It is likely that Mr. Ali Reza Nowbari, Governor of the Central Bank, who has a good track record and is a close supporter of the President, will keep his post.

Having suffered a defeat over the nomination of the Prime Minister, President Bani-Sadr may well believe that Mr. Rajai and the Islamic Republican Party will be unable to assert executive authority when faced with the same economic and political problems with which he himself has been grappling for the past six months.

Our Foreign Staff writes: The Anglican Bishop of Iran yesterday said he was astonished and appalled that his secretary, Miss Jean Waddell, was being held there on spying charges.

Bishop Dehgani-Tafti, who is now in England after having to leave Iran because of threats against him, claimed the people responsible for seizing Miss Waddell were "carrying out a vendetta."

India to ease industrial curbs

BY K. K. SHARMA IN NEW DELHI

LICENSING restrictions which have seriously hampered the expansion of India's "large industrial houses," and branches of foreign companies, are to be lifted.

The move, part of the Indian Government's recently-unveiled new industrial policy, confirms a more sympathetic attitude towards the country's private-sector industry.

Companies operating within 34 categories considered vital for reviving the stagnant economy—this includes more than half the companies operating in the manufacturing sector—will be allowed "automatic growth" of 25 per cent over the next five years.

Industries to benefit from the change include most heavy and engineering units, almost all drug and pharmaceutical factories, cement factories, and plants manufacturing capital goods. With them, "associated ancillaries" will be allowed to grow.

In the past, the Monopolies and Restrictive Trade Practices Act (MRTP) and the Foreign Exchange Regulation Act (FERA) have effectively banned growth in the "large industrial houses"—companies with assets of Rs 200m (£10.9m) or more—and on foreign-owned companies.

These Acts were aimed at checking expansion in so-called monopolies, companies which are now seen to be among the few with the funds and expertise needed to re-invigorate the country's industrialisation programme.

Foreign companies will benefit equally, winning supplies of raw materials, support from public-sector financial institutions, and the right to market their products freely.

The concessions to the private sector have been allowed because of the need to stimulate stagnant industrial investment and production.

The Government has reviewed the question of growth of industries in the context of the growing costs of capital goods, raw materials, energy supplies and other inputs. Coupled with this is the fact that competition has become increasingly severe for Indian companies, particularly in export markets.

Industrial production actually fell between 1978 and 1979 because of power shortages, transport bottlenecks and raw material shortages. There has also been marked lack of interest in setting up new production capacity because of licensing restrictions.

The new policy has been widely welcomed by industry, but its implementation has still to begin.

British rugby players arrested in Argentina

By Robert Lindley in Buenos Aires

FOUR PLAYERS of the British private club rugby side, Penguins, were arrested by Argentina's federal police at their hotel here yesterday and are being held on charges of theft of an Argentine flag.

The police alleged that the four Penguin players—Francis Wilson, William Anderson, David Irwin and J. Palmer—were caught in possession of the flag. The players broke a flagpole at the Presidential public information secretariat to get the flag, according to the police.

The British Embassy here confirmed the arrests. The Argentines are extremely sensitive about any act of disrespect to their sky-blue-and-white national flag.

Pentagon gives nuclear pledge

BY IAN HARGREAVES IN WASHINGTON

THE PENTAGON, attempting to smoothe ruffled feathers in the NATO Alliance over its disclosure of a modified strategy on nuclear warware, has told the allies that the changes proposed are evolutionary in character and represent no lessening of America's aversion to the use of the nuclear weapon.

In a message to members of the alliance, Mr. Harold Brown, Defence Secretary, says the U.S. goal is to convince the Soviet Union that any attempt to launch a limited nuclear attack would be met with retaliation against military targets in the Soviet Union.

Nuclear war is not, Mr. Brown says, "a deliberate instrument for achieving our security goals or advancing our interests," but the change of strategy was needed to eliminate the possibility that the Kremlin could use the threat or the reality of limited nuclear warfare as a means of advancing Soviet interests.

At home, the Pentagon has also been soothing hurt feelings because it has become clear that Mr. Edmund Muskie, Secretary of State, was also not informed that President Jimmy Carter had signed Presidential Directive No. 59 authorising the change in strategy.

The Pentagon argument is that the directive has been the subject of detailed consideration at the level of officials for several years and had therefore not crossed Mr. Muskie's desk since he took office in April.

A similar argument is advanced to the allies who, according to Mr. Brown's message, were briefed on the directive at a meeting in Norway in June. Mr. Brown had intended to announce the Presidential endorsement of the directive in 10 days' time, but was forced to clarify the position following Press leaks.

Begin chides Sadat over accords

BY DAVID LENNON IN TEL AVIV

THE RECENT *deterioration* of relations between Israel and Egypt was underlined yesterday by Israel's decision to release the text of a letter which Prime Minister Menahem Begin sent to President Anwar Sadat last week.

In the letter, Mr. Begin accused Egypt of breaches of good faith and of the provisions of the Camp David accords on which the Peace Treaty between the two countries is founded.

Jerusalem is irritated by what it sees as a growing Egyptian propaganda campaign to blame Israel for the failure to make any progress in the negotiations on autonomy for the Palestinians living in the Israeli-occupied West Bank and Gaza Strip.

The talks were suspended by President Sadat early in May, after a year of fruitless discussions on the degree of self-rule to be granted to the Palestinians. Plans to restart the talks last week were abandoned by Egypt after the Knesset (Israeli Parliament) passed a law proclaiming all Jerusalem as the capital of Israel.

Israel is angry about statements by Egyptian officials that Mr. Begin's letter to President Sadat has further reduced the possibility of renewing the autonomy talks. Because of this, it was decided to publish the letter to allow people to judge for themselves whether or not the Premier's letter is indeed "negative," as claimed by Egypt.

In his letter, which was in reply to an earlier message from President Sadat, the Premier chided the Egyptian leader for having broken off the negotiations four times and said that by voting against Israel in the United Nations general assembly last month, Egypt had contradicted the terms of the peace agreement.

On Jerusalem, Mr. Begin wrote: "I have never misled you, nor anybody else. Time and again I repeated that Jerusalem, in its entirety, is the capital of Israel — a city reunited and indivisible for all generations."

In a similarly unrelenting tone, the Premier also wrote that the Israeli settlements in the occupied territories are "legal and legitimate," and "none of them will ever be removed."

Meanwhile, a Knesset committee yesterday condemned as "totally false" allegations that Mr. Begin had hampered the investigation into car bomb attacks against West Bank mayors in June.

Storm floods Texas coast

BROWNSVILLE—The remnants of Hurricane Allen dumped more rain on southern Texas yesterday, forcing the evacuation of about 2,500 people.

Residents left their homes in Alice and Kingsville in the coastal area where flood waters were reported to be up to 4.5 ft deep.

As the storm—which has been downgraded to a tropical depression — moves slowly across northern Mexico, forecasters expect tides at Baffin Bay near Kingsville to be some 9ft higher than normal.

Allen caused no direct injuries or deaths in Texas, either as the hurricane that battered the coast or as the tropical storm that cut into the state, but a series of tornadoes arising from it injured about 20 people. AP

Census claims come to court

BY OUR WASHINGTON CORRESPONDENT

U.S. CENSUS BUREAU officials are bracing themselves for a series of court cases starting next week, alleging undercounting among other things, which could prevent them delivering the official results of this year's count to the President by January 1, as required.

A U.S. District Court in Detroit is set to hear the first of four suits filed against the bureau and more suits are expected.

So far the suits have come from Detroit, New York city, New York State and from a group of hispannic citizens in Chicago.

At stake is the future level of federal aid for these areas and the number of seats they hold in Congress.

It is ironic, from the Government's point of view, that its own heavily advertised pleas to ethnic minority groups to participate in the census count are now being used against it in a determined attack by areas which believe they have been undercounted.

Detroit's suit is the most broadly based and will charge that the very methods—statistical and operational — used in the count work against a fair assessment of population in deprived urban neighbourhoods.

New York's case, which was announced last week, centres more on allegations that the bureau failed to recruit a sufficient number of officers to carry out the count.

The suits are the first of their kind in the U.S. and there is consequently no common view on either their outcome or likely duration.

The initial Detroit hearing is expected to last a week and to consist mainly of rival expert testimony, but further appeals and hearings are likely.

The Census Bureau is also well aware that beyond the four groups which have already taken legal action lies a large number of discontented city mayors with predominantly black inner city populations.

Peru warns police on rights

LIMA — Police say they have an internal circular ordering members to adhere to the new constitution and respect the human rights of people they arrest.

The constitution took effect on July 28 when President Fernando Belaunde Terry and the national legislature were inaugurated as the first democratic government in 12 years.

The constitution requires police to present in writing the charges against anyone detained. A defendant also has right to a defence lawyer and cannot be tortured. AP

Vanuatu threat to deport rebels' foreign backers

PORT VILA — The Government of Vanuatu (formerly New Hebrides), now seeking to end a secessionist revolt on the island of Espiritu Santo, threatened yesterday to deport foreign backers of the rebels who did not leave voluntarily.

A Government spokesman said 26 foreigners had been informed through their diplomatic missions that they would be expelled unless they went of their own accord.

An airlift from Papua New Guinea is bringing in more than 200 troops who will be ready to move against rebels by tomorrow.

A Government official said yesterday: "The foreigners are very lucky to have the opportunity to leave peacefully. They have been wandering around carrying guns and engaging in actions which in any society would not be tolerated."

He thought most would leave of their own accord. "I think they realise the party is over. They know the end is coming." Reuter

18 arrested in Australian oil drilling protest

PERTH — Eighteen student demonstrators were arrested in the office of Amax Oil Company here yesterday, as protests against exploratory drilling on a site held sacred by Aborigines gathered force. The protests are being directed against drilling at Noonkanbah, in North-West Australia.

The drilling is opposed by trade unionists, churchmen and other Aborigine supporters, as well as the Aborigines. Reuter

High-priced oil is hurting more than trade sanctions, writes **Patrick Cockburn** in Tehran

Iranian economy waits for political change

THE TRADE sanctions the U.S. and its allies imposed on Iran in April and May had little chance of proving effective. Most European Community countries, observing that Britain's sanctions were largely window dressing, have done little or nothing to impede their Iran trade.

Yet Iranians, from Ministers to factory workers, frequently blame their economic troubles on sanctions. President Abol Hassan Bani-Sadr recently claimed they had led to a 25 per cent increase in import prices, costing Iran $2.5bn. In South Tehran, disconsolate lorry drivers, their vehicles immobilised for lack of spares and tyres, believe sanctions have caused the shortages.

The economy is undoubtedly in a bad way. Inflation is running at 50 per cent, factories are working at 40 per cent capacity, and oil revenues do not cover foreign exchange outflows. But this is primarily the result of the impact of the revolution on the fragile and chaotic economic system which the Shah created in the five years after the 1973-74 oil price rises.

The only really effective embargo against Iran appears on no statute book and is, ironically, partly self-imposed. Last April, the Oil Minister and ruling Revolutionary Council decided to raise the price of Iran's oil well above the levels of other Gulf producers. The moment could not have been more ill-chosen. The spot market for crude oil was growing softer by the day, and Saudi Arabia and Iraq, the Organisation of Petroleum Exporting Countries' largest exporters, were producing at high rates.

Reports in the West of political faction-fighting, conspiracies, executions and growing anti-clericalism in Iran tend to conceal the simple fact that the Revolution and Ayatollah Khomeini still have general support

The Japanese, British Petroleum and Shell, together taking half of Iran's exports, stopped buying Iranian oil at the new price.

Iranian oil officials insist that the companies' recalcitrance had a political motive. This is an exaggeration. The price was simply too high. But there is little doubt that, in the past two months, the Japanese companies, which want to come back have been restrained by Tokyo, under pressure from the U.S. The Japanese will return for contracts from the beginning of the fourth quarter of the year, but oil revenues for 1980 are likely to be only $13bn, compared with a foreign exchange outflow of $15bn to $16bn.

This decision on oil prices is typical of most of Iran's economic policies. More damaging than all the impediments to trade so portentously announced by President Jimmy Carter and European Community leaders, it is seldom even discussed by politically aware Iranians.

Some officials appreciate the dangers of an economic squeeze. Two weeks ago, President Bani-Sadr noted in a daily diary he publishes in his newspaper how "a translated article from the Financial Times entitled 'The Islamic revolution runs into the sand' was brought to me in which it is said that Iran's economy will be crippled by winter. This shows the enemy plans to destroy the country's economy."

The President's assessment is over-dramatic. Despite economic troubles, dissatisfaction is some way from boiling point. Reports in the West of political faction fighting, conspiracies, coups, executions, and growing anti-clericalism in Iran tend to conceal the simple fact that the revolution and Ayatollah Khomeini still have general popular support.

Many Iranians have gained financially from the revolution. The Shah's rush for expansion between 1974 and 1978 widened the gap between rich and poor. The palaces of North Tehran stand as gaunt reminders of that era. Villagers found jobs in the construction industry and the small pool of skilled workers benefited from their scarcity value, but Iran remained a cheap labour economy.

In the dying days of the old regime, the Shah tried to end the strikes by awarding wage rises, often of over 100 per cent. When the revolutionaries came to power last year, they increased wages again, and set up the powerful Islamic workers' councils. Overall, unskilled labourers, both in factories and on the land, have seen their wages jump to two or three times the 1978 level.

At the National Iranian Shoe Company, which has 12,000 employees, the cost of raw *materials from abroad, mainly* leather, has risen by only about 10 per cent, despite sanctions.

Far the most important increase in expenditure is the threefold increase since 1978 in the cost of unskilled labour, which forced it to go to the Government for large subsidies.

The salaries of white-collar workers have gone up one and a half times, while those of management have remained largely static.

The point is of great importance in Iran, since most of the working population are unskilled. In the countryside, farmers' plots of land are on average so small that two-thirds of a farmer's income may come from labouring.

Attempts to cut wages have met stiff resistance. Tehran Water Authority's 7,000 employees reacted to the abolition of allowances and overtime by an immediate take-over of the authority's headquarters. The managing director was taken hostage and apparently beaten up. A delegation of workers, protesting that some wages were being cut by 70 per cent, was dispatched to see President Bani-Sadr, who rescinded the decision.

Simon Henderson

A portrait of Ayatollah Khomeini watches over the control room at Kharg Island oil terminal

Government attempts to control prices have not been fruitful.

The real bottleneck for the free flow of supplies is not sanctions but the decrepit import and distribution system. Many major importers from the Shah's era have fled abroad. The traditional businessmen in the bazaar use an endless series of middlemen to get goods to the consumer, which puts up the price.

Imports of basic commodities are being organised without much difficulty: 1.2m tons of wheat, 300,000 tons of meat and 900,000 tons of sugar. The system's real weakness shows itself in the ordering of spares. The lack of spares has put grain unloading equipment at the Gulf ports out of action, while power stations and factories often depend on fast-diminishing stocks of spares they accumulated last year.

The economy's revival now depends on political developments, on a winner emerging from the present political struggles. The middle class and the unemployed have been worst hit. Many workers still in employment draw their pay, often much higher than before, whether they do any work or not. It is unlikely that any government will have the political strength to cut wages or the numbers it employs.

In theory, Ayatollah Khomeini's ascetic ideology calls for a movement away from dependence on oil. The April oil price increase ensured that this occurred, but since then a massive budget deficit has replaced oil as the pillar of the battered economic system.

It is no bad thing to switch from nuclear power stations to village water pumps in a country where half the population is illiterate and life expectancy is the same as in India. But the Iranian economy was created by oil revenues. Even if Iran dispenses with all luxuries, its essential imports of food, machinery and spare parts will remain at a high level. This cannot be changed overnight. Oil revenue has to increase, and any Iranian Government of the future which omits to do so will be unable to survive.

W. German trade surplus with Comecon falls

BY LESLIE COLITT IN BERLIN

WEST GERMANY'S long-standing surplus in trade with the Communist countries has dwindled to its lowest level in many years.

This reflects efforts by the state trading countries to reduce their indebedness to West Germany, their most important Western creditor.

In the first half of this year, West German exports to the Comecon countries and China rose only 3.8 per cent, compared with the same period last year, to DM 9.4bn (£2.25bn). German imports from these countries, however, rose 24 per cent to DM 8.4bn. The DM 1bn export surplus compares with DM 2.3bn in the first six months of 1979.

West German companies have realised that unless they help find markets for the products of the Communist countries, they will not be able to sustain a high level of exports to them over a longer period of time.

West German exports to the Soviet Union rose 18.6 per cent to DM 3.7bn, but imports expanded 22.3 per cent to DM 3.5bn largely as a result of higher prices for Soviet oil and natural gas.

In all of 1979 the Soviet Union achieved its first surplus with West Germany of DM 800m.

Exports to China from West Germany actually fell 18.9 per cent this year to DM 1.1bn while imports from China soared 60.6 per cent to DM 676m. In the first half of last year, China occupied second place among Communist countries, after the Soviet Union, as an importer of West German products.

Exports to China are expected to recover in the second half of this year when additional contracts are expected to show up in the trade statistics.

The second place position is again occupied by Poland which took 16.5 per cent more West German exports than last year or DM 1.3bn. West German imports from Poland rose 21.2 per cent to DM 1.2bn. Poland's trade deficit for all of last year was already halved to DM 300m compared with 1978.

Czechoslovakia managed to achieve a rare surplus in its trade with West Germany with West German exports rising only 4 per cent to DM 883m while imports from Czechoslovakia rose 29.7 per cent to DM 904m.

Hungary boosted its exports to West Germany by 10.8 per cent to DM 841m while its imports sank 2 per cent to DM 1.1bn. Romanian imports to West Germany were curtailed by a sharp 19.2 per cent to DM 895m while its deliveries rose 40.5 per cent to DM 874m.

Daimler to build parts centre

By Kevin Done in Frankfurt

DAIMLER-BENZ, one of the leading West German motor vehicle manufacturers, has signed a contract with China to open a spare parts centre and repair workshop in Peking. It is the first West German car maker to establish such a presence in the Chinese capital.

The contract was signed in Peking with the China National Machinery Import and Export Corporation by Herr Heinz Hoppe, the Daimler-Benz board member with overall responsibility for sales.

His visit to Peking coincides with the arrival of a West German trade mission led by Graf Otto Lambsdorff, the Federal Economics Minister, who is leading a 33-member West German delegation to the first meeting of the Sino-German Economic Commission. The Commission was established under the economic co-operation agreement signed by Bonn and Peking in October last year.

Daimler-Benz, which has followed Toyota of Japan in establishing a vehicle servicing centre in Peking, has some 4,000 cars and commercial vehicles in China. Beyond this agreement it is continuing negotiations on the commercial vehicle side on a range of items, including the modernisation of Chinese truck production.

Volkswagen, the leading West German car manufacturer, is also involved in talks with the Chinese over the construction of a car plant.

CHINA'S MERCHANT FLEET EXPANSION

Newcomer steams into crowded waters

BY TONY WALKER IN PEKING

CHINA, which has been steadily building up its merchant fleet, has signalled that it intends to compete more aggressively for international shipping business.

The recent joint venture agreement with Sir Yue-Kong Pao, the Hong Hong shipping tycoon, will help Chinese shippers where they are weakest—in access to established sources of business and assistance in setting up a worldwide shipping network.

Chinese shipping companies are suffering from being relative newcomers in a highly competitive field.

Sir Yue-kong Pao, head of the successful World Wide shipping group, is expected to be able to deliver for Chinese shippers a bigger share of regional cargoes, at the same time passing on helpful advice about fleet and port development.

The joint venture, to be known as the International United Shipping and Investment Company, will use Chinese ships on charter from, among others, the China Ocean Shipping Company (COSCO).

With low labour costs and cheap bunkering facilities, China is well-placed to compete against the conference lines, and, indeed, Chinese shippers are offering freight rates 15-30 per cent lower than those charged by the conferences.

China's low-cost structure already appears to be paying off in its quest for new business, particularly in commodities, which the containerised conference lines are turning away from.

Last December, for example, China signed an agreement with Malaysia to carry bulk latex to British and other European ports.

The size of the Chinese fleet remains something of a mystery.

According to some estimates, China has up to 700 merchant ships, but the Chinese themselves, in a New China news agency despatch last week, said their fleet comprised 400 ships with a total cargo tonnage of 7m.

Whether the fleet size is 400 or 700 ships, China is a potentially formidable maritime power. And with its rapidly increasing trade China is making sure its shippers are reaping the benefits.

Cosco, in a recent statement, said that last year the Chinese fleet transported about 70 per cent of the tonnage required by foreign trade agreements to be carried in Chinese ships.

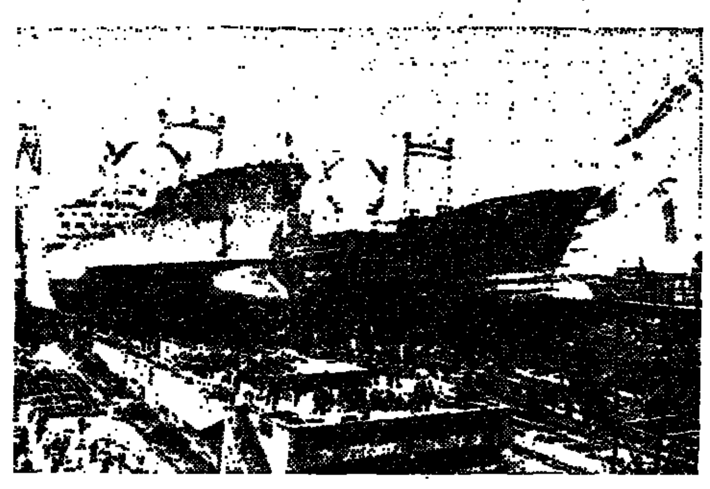
Cosco said it had now undertaken to transport all trade cargo to and from Japan and North Korea assigned to Chinese shipping in agreements with those countries.

It also planned to do the same to other ports.

One problem for the Chinese in their efforts to step up their shipping activities is the outdated nature of much of their cargo-handling equipment. Japanese coal and oil importers, for example, complain of slow unloading from Chinese ships. This, they claim, adds sharply to costs.

The Chinese are attempting to modernise their fleet by buying relatively new ships and an active shipbuilding programme. Last year, China spent more than $200m on second-hand vessels.

According to the China Trade Report, a monthly trade review, the Chinese last year bought 48 such ships, ranging from tankers to ferries. A reflection of China's growing interest in commodities shipment was the purchase of 20 bulk carriers.



Two freighters near completion in Shanghai's Chiangnan shipyard.

China's antique cargo-handling facilities also inhibit it from moving heavily into containerisation—it simply does not have the infrastructure to handle containers on any sort of scale.

Consequently roll-on/roll-off ships, which load trailers in the manner of a car ferry, are likely to be a feature of additions to the Chinese fleet. In 1978, China ordered eight such ships from Hong Kong shipbuilders—China's largest shipbuilding order.

It is also embarking on a modernisation programme for five key ports, due to be finished by the mid-1980s. The Chinese will also be working on smaller harbours. According to a New China news agency report in March, a total of 58 berths able to handle ships of above 10,000 tons are being built at about a dozen seaports. Six of these berths will be suitable for containers. The other 52 will handle steel, mineral ores and other bulk cargo, according to the NCNA.

The report claims that, altogether, 44 deepwater berths have been completed at Chinese ports since 1973. Shanghai, China's busiest port city, has added 16 berths for freighters up to 25,000 tons plus six berths for special cargoes like oil.

In their drive to earn foreign exchange from all possible sources the Chinese have even gone into the cruise ship business. They are now running services between Hong Kong, Shanghai, Canton and Bangkok and are talking about spreading their activities to the west coast of America, Europe and Australia.

Tourists from those places may again be encouraged to take a slow boat to China.

● Regent Shipping of Hong Kong has commissioned the China Corporation of Shipbuilding Industry to build two bulk carriers worth $26m, reports the Hong Kong Trade Development Council. Both these vessels are to be 27,000 tons dwt. The Regent contract is reported to be the first one the Chinese corporation has won from a Hong Kong company for new shipbuildings.

● The Australian National Line and Queensland Alumina have awarded a contract to build two bulk carriers fuelled by coal to Mitssubishi Heavy Industries. The steam-turbine carriers, each of 75,000 dwt will cost some US$10m and will be used to carry bauxite from Weipa, on the Gulf of Carpentaria, to Queensland Alumina's refinery at Gladstone in Southern Queensland. The first is expected to enter service in late 1982, and the second early the following year.

Swiss companies negotiate oil contracts with Iraq

BY BRIJ KHINDARIA IN BERNE

A GROUP of Swiss oil importers is negotiating with Iraq to buy unrefined petroleum to reduce their dependence and purchases on the Rotterdam spot market.

The group, comprised of independent operators not linked to the large oil multinationals, has told the Swiss Government that it would like to buy Iraqi oil under long term contracts for refining in Switzerland or neighbouring countries. No specific quantities have been negotiated so far.

At a meeting of the joint Switzerland-Iraq Trade Commission earlier this month in Berne, Iraq indicated its readiness to become a significant supplier of oil to Switzerland, making up shortages resulting from the drop in Iranian oil exports.

Switzerland has never previously bought oil directly from Iraq because of its long-standing relations with the regime of the late Shah of Iran. But the troubles in Iran have forced the independent operators to turn to the expensive spot markets.

Pressure to seek long term oil supply contracts is being increased following last month's announcements by the U.S. Government of its intention to recommence buying oil for storage which is expected to lead to firmer spot oil prices.

Iraq, which is Switzerland's second largest Arab customer, but exports almost nothing in return, is keen to use oil to redress its trade deficit. It has told the Swiss that it prefers to deal with State-owned oil importers but has indicated that it may bend this policy provided that it can work out a satisfactory long-term supply contract with an association of buyers. It is unwilling to deal with separate independent companies.

Hitachi in pact with Bechtel

By Richard C. Hanson in Tokyo

HITACHI, JAPAN'S largest general electrical machinery maker, has bolstered its competitive strength in the nuclear reactor engineering and construction field through a long-term technical contract with the giant Bechtel group.

Under a 10-year agreement, Bechtel Power Corporation, a member of the U.S. group based in San Francisco, will provide Hitachi with the technology it has developed for planning, designing and building boiling water reactor (BWR) plants, and related facilities, in Japan. The agreement, Hitachi says, will also strengthen its ability to procure overseas business, including conventional thermal power plant projects.

The agreement between the two companies does not exclude Bechtel's co-operation with other Japanese electrical equipment makers. In the past, Bechtel has co-operated in Japan with Hitachi and others on plant construction and engineering. Hitachi, however, expects to gain an edge on its major competitor in Japan, Toshiba Corporation, which currently is the industry leader in nuclear equipment, as a result of the closer ties to Bechtel.

Toshiba says it has no plans at the moment to enter into a similar arrangement with a foreign company.

Zeebrugge port to be expanded

BRUSSELS — The Belgian Government is to spend more than BFr 20bn (£300m) to expand the port of Zeebrugge to enable it to receive carriers of up to 125,000 tonnes bringing liquefied natural gas from Algeria.

Part of the finance has already been committed, and the project is to be completed by 1986, when the Belgian utility, Distrigaz, plans to start taking LNG deliveries from Algeria under a contract already agreed.

Reuter

Big Saudi deal for Bendix

BALTIMORE — Bendix Field Engineering Corporation, the technical-service subsidiary of Bendix Corporation, has signed a $337m (£140m) contract with the Saudi Government to operate and maintain the Kingdom's air traffic control system.

Under the contract, which took effect at the end of last month, Bendix will staff, operate and maintain the computerised air traffic control equipment at 31 civil and military airports. The equipment was installed by Lockheed Corporation under a $600m contract.

AP-DJ

Parkinson foresees rise in UK-Argentine sales

BY ROBERT LINDLEY IN BUENOS AIRES

THE VALUE OF UK trade with Argentina should rise this year to $700m-$800m, said Mr. Cecil Parkinson, the Trade Minister, at the end of a six-day visit with a group of British businessmen.

In 1979 the UK sold $260m worth of goods to Argentina and bought $290m worth.

The two areas in which British businessmen found the most interest for their products were power generation and port development, Mr. Parkinson said.

Following talks with Argentinian leaders, Mr. Parkinson said the two countries are approaching their economic problems in similar ways. Both are seeking to liberalise their economies, and both have a profound dislike for the EEC's common agricultural policy.

Mr. Parkinson's visit follows the resumption of full diplomatic relations between the two countries last March. Ambassadors were exchanged after a four-year break caused by an incident near the Falkland Islands.

The visit is the first by a UK Trade Minister for a decade. Mr. Parkinson left for Santiago, Chile, on Sunday.

Shell and Esso to start developing Tern oilfield

BY RAY DAFTER, ENERGY EDITOR

SHELL AND Esso have agreed to proceed with development of their Tern oilfield, 75 miles north-east of Unst in the Shetland Islands. The project will cost hundreds of millions of pounds.

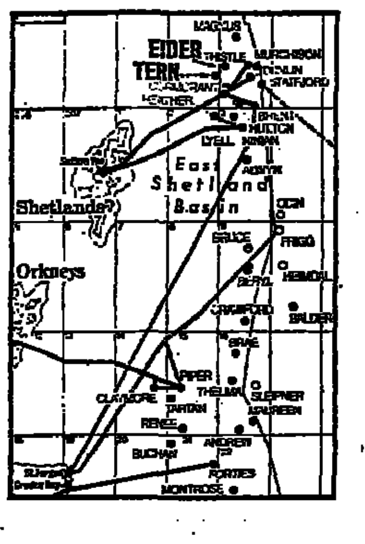
Oil from the medium-sized field should begin boosting North Sea production levels late in 1985. The oil will be transported ashore from a conventional fixed production platform via the Brent pipeline system into Sullom Voe, in the Shetland Islands.

Shell and Esso plan to feed natural gas associated with the oil into the Western Leg gas gathering system, to St. Fergus, near Peterhead, Scotland.

Tern has estimated recoverable reserves of about 140m barrels of oil. According to Shell officials, but for the recent oil price increases the field would have been too small to develop using a conventional *platform*.

Shell and Esso, which have joint interests in the discovery, in block 210/25, are expected to submit a development application to the Government within the next 12 to 18 months. *Meanwhile, they are working on* a production project for another nearby discovery, the Eider Field.

No development decision has been taken on Eider, which is a smaller field, with about 120m barrels of recoverable reserves. But Shell and Esso hope that the field, in block 211/16, will be in production by 1987.



● Marathon Oil has announced the successful results of an important delineation-well drilled in block 16/7, north-east of Aberdeen. The well helps to *confirm the commercial potential* of the Brae Field.

The drilling-rig Aladdin tested five geological zones within a 572 ft section of oil-bearing rock. The tests resulted in flow rates of 2,887, 4,366, 3,169, 3,900 and 4,036 barrels a day respectively.

The oil was of a light quality —its gravity ranged from 40.4 to 50 degrees API—and the gas/oil ratios ranged from 3,640 to 7,212 cu ft per barrel.

Exploration, IL and E (a sub-

The well, drilled 1.3 miles west of the Brae Field discovery-well, and 140 miles north-east of the Scottish coast, was drilled to a total depth of 13,260 ft

Marathon and its partners have agreed to proceed with exploitation of reserves in the southern part of Brae — the other end of block 16/7 from the latest well. Production is dueto begin in about two years' time.

The interests in Brae are Marathon (operator), British National Oil Corporation, Bow Valley Exploration, Kaiser Exploration, LL and E (a subsidiary of Louisiana Land and Exploration), Saga Petroleum, Sovereign Oil and Gas, and Sunningdale Oils (a subsidiary of Kerr-McGee Corporation).

Our Shipping Correspondent writes: After several months' delay, the Government has confirmed an £18m order for two offshore patrol vessels. Work on the two ships has started at Hall Russell, the Aberdeen shipbuilder.

The vessels, ordered by the Ministry of Defence, are the first of a new class which will replace existing "Ton" class patrol vessels. They will perform the dual roles of fishery *protection within the 200-mile* UK extended fishery limits, and protection of offshore oil installations.

In common with Cammell Laird at Birkenhead, Hall Russell has been suffering because of the delays in promised public-sector orders.

Michael Donne and Lynton McLain look at domestic air fares

One flight that will be cheaper

THE DECISION by British Midland Airways to cut the Gatwick-Belfast return air fare from October 1 by £10 to £66 is not thought likely to be the start of a new round of fares-cutting by airlines on domestic *air routes, no matter how* anxious they may be to stimulate traffic at a time of recession.

The new British Midland rate undercuts British Airways' Heathrow-Belfast Shuttle fare by £20 return. The Midland service was already £10 return cheaper before yesterday's decision. British Airways will have to decide whether to match the Midland rate.

Late yesterday it had not made up its mind. It seemed clear that there was no enthusiasm *in British Airways or* other airlines for yet another air fares battle comparable to what has already taken place on the North Atlantic and is still building up on short-haul European international air routes.

The view in British Airways is that British Midland can probably get away with its proposed cut, because it uses cheaper-to-fly Viscount turbo-propeller airliners out of Gatwick, against British Airways' Trident jets out of Heathrow.

BA still carries the bulk of the London-Belfast traffic, about *80 per cent to British Midland's* 20 per cent, but Midland believes it can push its share up to about 25 per cent by the end of this year.

Even if that were achieved, BA would still dominate the market, and though it may make a token gesture by trimming its fare a little it seemed unlikely yesterday that it would seek to match the Midland rate for the sake of 5 per cent of the market.

What troubles British Airways and other major domestic air lines, including Midland, is the uncertain future, stemming from continued rises in fuel and other costs.

Earlier this year, as a result of increased charges by the fuel companies' the British Airports Authority, Civil Aviation Authority, the domestic airlines and other aircraft users as a whole complained bitterly that their costs in 1980 would rise by as much as £100m.

To compensate for this from April 1 fares on most internal air routes rose by an average of 12.5 per cent.

This put the British Airways' Heathrow-Glasgow - Edinburgh Shuttle fare up from £42 single to £47, £84 to £94 return and Heathrow-Belfast *from* £38 single to £43, £76 to £86 return.

British Midland's Gatwick-Belfast rate at that time rose from £36.50 single to £38, £73 to £76 return.

Since then all airlines' costs have continued to rise. Only *recently it was made clear by* both the Civil Aviation Authority and the British Airports Authority that before the end of the current financial year further increases in charges were inevitable, though the amounts have yet to be fixed.

To meet this situation many lines flying domestic routes have thought of asking the Civil Aviation Authority for further fare rises from about *October-November on to see* them through the winter.

So far no applications have been filed, but they may well be in the next few weeks. If they are Gatwick-Belfast may well be one of the few routes where fares this winter will be cut.

Even if the airlines manage to absorb their increased costs this winter, and either forgo or seek only minimal fare rises, it seems inevitable that they will seek fare rises from April 1 next year.

The British Midland decision to cut Gatwick-Belfast fares, therefore, is seen in the domestic airlines as a bold attempt to win traffic by flying smaller, cheaper aircraft than a competitor.

Apart perhaps from British Airways itself the industry wishes Midland success with its venture, but does not seem anxious to emulate the decision on other major trunk routes.

It is tempting to think of Mr. Michael Bishop, chairman of British Midland, as an embry*onic Sir Freddie Laker of domes*tic air routes.

Nothing could be further from the commercial objectives of the airline, though Mr. Bishop said yesterday that he had an "immeasurable amount of respect for Laker's operations."

Laker was applauded as champion of free enterprise in international aviation when he started the low-fares revolution on the North Atlantic. His first Skytrain will be three years old next month.

Sir Freddie launched his attack on high fares in a high-volume market dense with airlines he felt could be made to compete for the benefit of passengers.

British Midland shares Laker's desire to make the consumer benefit from more competition and lower fares. But in other respects it insists it is not a "Laker-type" line.

On the London-Belfast service this benefit has come from "our own cost-effectiveness," Mr. Bishop said yesterday.

British Midland's low fares policy on the route has already paid off in terms of an increase in volume of traffic, which rose by 10 per cent from January to July this year to 58,607 passengers compared with the same period last year.

The rise would have been even higher, said Mr. Bishop, had the airline operated from Heathrow rather than Gatwick, but its application to do so was turned down by the Civil Aviation Authority last year.

Mr. Bishop insists that he *plans nothing similar to Laker's* broad attack on fares on Atlantic routes. "We are going forward quietly and aim to consolidate before tackling more volume routes," he said.

British Midland has operated domestic air services for 27 of the 40 years of its existence. Until it started on the London-Belfast route none of its 14 domestic routes had anything approaching a high volume of passenger traffic.

Typical is the East Midlands Airport-to-Glasgow service. This serves 42,000 passengers a year compared with the estimated 500,000 carried by British Airways on its main trunk routes from London to Scotland.

BA carried 617,000 on the Heathrow-Belfast route last year.

Mr. Bishop believes that the State airline will be "very vulnerable" however it responds to British Midland's attack on fares.

If BA cuts Belfast-London *Shuttle fares in response to com*petition, it must justify to Scottish travellers why similar action cannot be taken on Edinburgh-Glasgow Shuttles, Mr. Bishop said.

Success for British Midland in boosting its share of the London-Belfast passenger market to 25 per cent as planned, will help provide the base for further attacks on the lucrative trunk air routes in Britain.

These include London to Aberdeen, Glasgow, Edinburgh and Manchester, all routes which could withstand more *competition.*

Mr. Bishop is unlikely to launch similar attacks on fares *on the 13 other domestic routes* it operates, if only because it has a monopoly on them.

Peking flights start in November

AIR SERVICES betwen London and Peking are expected to start in the first week of November, following talks in Peking last week between British Airways and the *Civil Aviation Administration of China*, writes Michael Donne.

The air agreement between the two countries was signed in November and was meant to become effective in April. But talks over the details of imple*menting it have been delayed.*

The timetable has still to be revealed, but it is understood that each airline will fly once weekly between London and Peking, via Hong Kong. Eventually, British Airways will fly a direct service.

Each airline will use Boeing 747 Jumbo jets.

One of the major problems in settling the details of the service has been how to divide the revenue. This is now reported to have been agreed but, again, the details are not yet being disclosed.

The Chinese national airline is believed to have asked for a larger share than the normal 50 per cent, despite the fact that British Airways is expected, initially at least, to carry more passengers between London and Peking—most of them business*men seeking sales in China.*

Another question which awaits an answer is whether the Chinese airline is ready to acept that its flights, under UK Government rules, must be to and from Gatwick. British Airways can use Heathrow because *it is merely extended into China* its existing service from Heathrow to Hong Kong.

Prestwick 'not to close'

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE GOVERNMENT has no intention of closing Prestwick Airport in Ayrshire, Mr. Norman Tebbitt, Trade Under-Secretary, said yesterday.

Speaking at the start of a tour of Scottish airports he said it was time to end the uncertainty about the airport's future.

"Constant speculation that there maybe some change in Government policy towards the *Scottish lowland airports* is totally unfounded and is doing no good at all to Scotland's civil aviation interests," he said.

Prestwick is the only airport in Scotland allowed to receive trans-Atlantic scheduled flights. But several bodies, including British Airways which operates a New York service from the airport, have wanted to transfer flights to Glasgow.

Mr. Tebbit said the Government shared the view of the British Aviation Authority that *Prestwick should remain* in operation to complement Glasgow and Edinburgh airports.

Retailers rewarded by upturn in sales volume for June

BY DAVID MARSH AND RAYMOND SNODDY

THE VOLUME of spending in the shops picked up in June from the depressed levels in May, partly in response to retailers' efforts to weather the recession through sales promotions and price cuts.

High Street activity during the early summer was down fairly sharply compared with the buoyant first quarter. But revised figures issued yesterday by the Department of Trade show that sales have been less hard hit by the economic downturn than was thought earlier.

Consumer credit granted by retailers and hire purchase companies also increased in June compared with May, though the totals were again well down *from earlier in the year.*

Retail sales volume in June, measured by the Department's seasonally adjusted index, rose 1 per cent in June to 101.6 (1976 — 100). This represents a sharp upward revision from the provisional figure of 100.5 *published last month.*

Sales volume in the second quarter was similar to that in the fourth quarter last year, but dropped by 1.6 per cent compared with the first three months of 1980 when trade was boosted by winter sales and pre-Budget buying.

During the first half of 1980 the average level of trade was about 0.2 per cent above the average for 1979. Compared with the first half of 1979—when sales were inflated by buying ahead of the July VAT increase—retail activity fell by nearly 1 per cent in volume terms, though it was up 14 per cent in value.

The increase in value terms was well below the inflation rate of about 20 per cent in the first six months. This shows the extent to which retailers have prevented an even bigger volume decline by cutting prices.

Sales by clothing and footwear retailers fell by 4 per cent between the first and second quarters. Spending in mixed goods retailers dropped by 3 per cent and in household goods stores by 2 per cent.

The Retail Consortium, which represents most of Britain's retailers, said yesterday that it was gloomy about the outlook for the next few months after the depressed second quarter. Some summer sales were continuing and it was pinning its hopes on a good Christmas period.

Individual retailers blamed the poor summer as well as recession for the slow sales.

John Lewis said: "It isn't quite as bad as we feared it might be. We are not pessimistic. We might even be through the worst."

Currys also said that sales were holding up reasonably well against a gloomy background.

Mr. Colin Sandford, group commercial director said colour television sets and washing machines were particularly buoyant but that newer products such as video recorders and microwave ovens were also selling well.

"Volume is holding up generally across the country. But the autumn is going to be hard work. We're less optimistic about the autumn than we were earlier in the year," he said.

Boots said the poor weather had affected demand for products such as suntan lotions and films but that people were still spending on the basics.

Boots' first quarter ending June 18 showed an 18 per cent increase. But the increase for the second quarter is expected to be about 15 per cent with little better expected for the autumn.

One bright spot for Boots was a 25 per cent upturn in sales of beer and wine making kits.

Demand for credit 'still strong'

By Peter Riddell, Economics Correspondent

THE UNDERLYING demand for credit remains strong, even after adjusting for the distorting effects of the end of the corset controls on the banks, according to a batch of new surveys from City stockbrokers.

Several circulars have been published in the wake of last week's news of a 5 per cent jump in the money supply in July. All say the implications are worrying, though most analysts believe gilt-edged prices will not fall very far.

Stockbrokers James Capel estimate that after allowing for the unwinding of the corset distortions, the increase in sterling M3—the broadly defined money supply — may have been about 1.2 per cent. The brokers estimate that total loan demand has been about £1.45bn. This is roughly the same as experienced in the first month of each of the past three quarters when interest debiting by banks and VAT payments by industry appeared.

Brokers L. Messel draw attention to the broader measures of *liquidity published by the Bank* of England which are not distorted by official regulations.

The brokers conclude that liquidity growth in the past four months has been at at very unhealthy 20 per cent annual rate. They suggest that trade credit has contracted and has been offset by a switch to credit flowing through the banking system.

New Armstrong Meriden plea

BY JOHN GRIFFITHS

THE GOVERNMENT statement rejecting Armstrong Equipment's offer to take over Meriden motor-cycle co-operative was "misleading to the House and to the public," Mr. Harry Hooper, Armstrong's chairman, told Lord Trenchard, Parliamentary Secretary, Industry Department.

In a letter sent yesterday to Lord Trenchard, Mr. Hooper calls on the Government to take a fresh look at the Armstrong proposals. Mr. Hooper told the Financial Times last night that "we still don't want to see Meriden go under. The rescue can still be done."

The reply to the offer given in Parliament stated that "because of the cost to the taxpayer" the Government would not waive nearly £12m in loans and interest. This, says Mr. Hooper, "was totally misleading. We are not talking about a gift to Armstrong. This taxpayers' money has already been lost."

If the Government was to opt to liquidate the co-operative, said by Mr. Hooper to be losing £300,000 a month, "it will be lucky if it sees any of its money."

Armstrong's own estimate, submitted to the Government on June 30, was that at most it might recover £1m from liquidation. Armstrong says that, since then, continuing losses would have eroded even this sum further.

Mr. Hooper made clear last night that if the Government was persuaded to have a change of heart, private creditors, owed about £1½m, would receive early payment in full. Armstrong has insisted that Government debts be waived in full.

Although both sides appear far apart there could be grounds for compromise. This would involve the Government accepting, in the absence of other potential rescuers, that Armstrong was accurate in estimating that only £1m would be left to the Government after liquidation. Armstrong would have to be prepared to pay compensation for approximately this amount.

Tories will debate rates reform

By Ivor Owen

DEMANDS for radical reform *of the domestic rating system* will be a dominant feature of this year's Conservative Party Conference which opens at Brighton on October 7.

Resolutions from constituency parties reflect the growing dissatisfaction with the inequit*able operation of the present* system with its emphasis on property values rather than ability to pay and the use made of local authority services.

Many Tory MPs have already warned the Government that soaring rate demands coupled *with the inflationary pressures* of the last year have produced a potentially explosive situation.

Until now Ministers have used Tory MPs' general acceptance of the need to give priority to reducing income tax to fend off calls for action to spread the rates burden more fairly.

They have shown little enthusiasm for resurrecting the pledge given in the Conservative election manifesto in October, 1974, to abolish domestic rates.

It was envisaged then that within the lifetime of a parliament, domestic rates would be phased out and replaced by a more broadly based tax related to ability to pay.

One proposal he is being pressed to adopt is that the electoral register should be used as the basis for introducing an across-the-board payment for local services, by all adults.

APPOINTMENTS

Mr. Ross Belch joins Yarrow

Mr. A. Ross Belch has joined the Board of Y-ARD, the consulting engineering subsidiary of Yarrow and Company, as a non-executive director. He recently retired as chairman and managing director of the Scott Lithgow Group to develop new business interests.

★

Mr. N. C. Fussell, a deputy general manager of CSR's energy division and joint general manager of Thiess Holdings, has accepted a position as an executive general manager with M.I.M. HOLDINGS. He has been invited to join the Board and will take up his new duties at the end of September.

★

The Health Minister has appointed Professor Baroness McFarlane of Llandaff as chairman of the English Board for NURSING, MIDWIFERY AND HEALTH VISITING, to be established on September 15. The appointment will be for a period of up to three years, after which the Board will appoint a chairman from among its members.

★

Mr. John Agnew has been appointed associate director (ports) of WIMPEY APPLEDORE.

★

Mr. Tony Williamson has been appointed an associate director of HOOVER.

★

REED STENHOUSE MARKETING has appointed Mr. J. A. Clark, Mr. A. Pinkney and Mr. J. P. Wade directors. Mr. J. T. Webb, Mr. T. R. Walsh, Mr. E. K. Hedges and Mr. J. G. White have become associate directors.

★

The officers of BRITISH EQUITY for 1980-82 are as follows: president Mr. John Barron, vice-presidents Mr. Nigel Davenport and Mr. Marius Goring. Mr. Milton Johns continues as honorary treasurer.

★

Mr. J. Roger S. Whitehead has been appointed treasury manager of the London branch of BANQUE FRANCAISE DU COMMERCE EXTERIEUR.

★

Mr. Peter Smith has been made director of marketing operations, general systems division, for HONEYWELL INFORMATION SYSTEMS.

★

Mr. Philip I. White has been appointed vice-president and general manager of REHEIS CHEMICAL COMPANY, worldwide.

★

Mr. H. L. I. Runciman has been appointed a director and chairman designate of SHANKS AND McEWAN.

★

Mr. A. J. Ellis has joined the group board of INDESCON and its industrial development company, INDESTATES (DEVELOPMENTS). He has terminated his other consultancies with the Department of Industry and the Thorn Group, but still carries out *assignments for the British Steel* Corporation (Industries) in respect of small firms establishment.

★

SMITH KLINE & FRENCH RESEARCH has appointed three vice-presidents in the Welwyn-based R & D Group. Dr. William L. Burland, vice-president clinical R & D, Dr. C. Robin Ganelin, vice-president research, and Dr. Peter Johnson, vice-president pre-clinical development.

★

Following the acquisition of Walker Frampton the following appointments have been made to the ERNEST NOTCUTT GROUP Board: Mr. Robert Rayne, Mr. R. Jason, Mr. R. Nelson and Mr. T. F. Wilkinson. Mr. I. L. Makeson-Sandbach has been appointed chairman and chief executive of Walker Frampton and Mr. R. Anderson, Mr. L. Fine, Mr. R. Nelson and Mr. Wilkinson have joined the board of Walker Frampton.

★

Mr. J. W. Birkinshaw, formerly deputy chairman and managing director and Mr. J. M. Connolly, formerly general manager, have been appointed executive chairman and managing director of COMMERCIAL UNION ASSURANCE COMPANY OF SOUTH AFRICA ("CUSA"). Mr. W. S. Findley has resigned as chairman but will remain on the Board. Mr. W. A. Rutherford and Mr. J. H. van de Linde have been appointed general managers.

Planning proposals attacked

BY ANDREW TAYLOR

GOVERNMENT PROPOSALS to *speed the planning process and* introduce charges for planning applications were attacked yesterday by town planners.

The Town and Country Planning Association said that Government proposals to levy planning charges should be scrapped. The Royal Town Planning Institute heavily criticised proposals to speed processing of planning applications as confusing and inadequate.

The association said that the community desired and benefited from planning regulations, and therefore the community should pay for this service.

It was fundamentally opposed to making a charge to apply for planning permission. This *would impose an unwelcome* burden on many small organisations, and encourage people to go ahead with developments without seeking planning permission.

The institute said that Government proposals to streamline planning procedures were inconsistent, and failed to take any account of the need for public consultation in the development process.

The proposals had failed to include recommendations as to how developers and other public bodies could help planning decisions. The Institute criticised those developers who took no account of area structure plans when submitting development proposals.

In other cases development plans had been held up because of Government delays in making important decisions such as the location of London's third airport.

The institute said that the Government was trying to speed "the development process" by reducing the level of standards against which planning applications should be weighted. This was undesirable.

The proposal that local authorities give detailed reasons for failure to reach a decision on planning applications within eight weeks of an application being submitted would create more work for planners rather than less, said the institute.

Legal restriction of 'dawn raids' unlikely

BY CHRISTINE MOIR

IF BRITISH companies want stronger powers to force significant shareholders to disclose their interests, they will have to impress their wishes on Government within the next two months.

The Government itself appears to be looking for guidance from companies and the financial community rather than taking the lead in recommending changes to existing statutes.

Since it became known that De Beers covertly acquired nearly 15 per cent of Consolidated Gold Fields late last year, there have been loud cries to strengthen Companies Act provisions on disclosure of holdings *above* 5 per cent.

However, yesterday's consultative document limits itself to discussing a number of possible changes and couples many of them with warnings of their impracticality in law.

Significantly, also, the document has the status of a discussion paper, a level somewhat below that of a Green Paper which does contain the Government's preferred course.

On the other hand the document does, in the cautious phraseology of the Civil Service, "look towards" the next Companies Bill. The deadline for comment — October 17 — has been selected to provide time for changes to be included in the Bill which is expected to be given Parliamentary time by about Christmas.

The document starts from a strong exposition of the intentions of the existing provisions. "A company, its members and the public should be entitled to be informed promptly of the acquisition of a significant holding in its voting shares, whether or not this is to be used to influence policy or with a view to subsequent acquisition of a controlling interest. . .

"In determining what constitutes a significant acquisition the law already recognises that it is important that a company should be aware if shares purchased in a variety of names are controlled or likely to be controlled by a common directing interest."

"Dawn raids," the market operation in which shares are rapidly acquired on the market floor, is an area for non-statutory regulation, the document says. Statute law would be too "elaborate and commercially restrictive."

In another area, the Department is also dubious about extending statute law to require buyers of shares to register their purchases within a specified period. (De Beers' agents withheld registration to maintain the secrecy of their share build-up.)

However, the Stock Exchange's new computerised dealing system, *Talisman, does* significantly reduce the case with which buyers can avoid declaring themselves by not registering.

The Department is worried about legal pitfalls if the Companies Acts attempt to define "concert parties" so that groups acting together must disclose that fact.

This is something the Stock Exchange and the Takeover Panel have been suggesting for some time. But the consultative document says it is difficult to prove the existence of such ad hoc parties.

It might still be possible to impose penalties for non-disclosure on groups of investors which had formal links.

Present legislation only requires a person to notify an interest when he is aware he has it. De Beers argued that it did not know that one of its associates had exceeded the 5 per cent limit. That could be changed to impose penalties if companies made no attempt to find out if notifiable interests existed.

The most draconian suggestions in the document cover what could be done in cases where companies have difficulty in discovering the true identities of shareholders.

Companies already have the power to disenfranchise such shareholders if their articles of association contain this restriction. But further powers could be given through the courts to permit companies "to cancel the shares involved and credit the capital to undistributable reserves."

Shares are in "bearer" form, however, specifically do not identify the holder. Government would be reluctant to prohibit the issue of such shares, which could be popular with European investors, and is looking for guidance on whether change is needed.

No change is thought to be necessary to the lower limit for disclosure — 5 per cent — and the 30 per cent level which currently triggers off a full bid is held to be a case for the Takeover Panel.

Disclosure of Interests in Shares: A Consultative Document published by the Department of Trade, Companies Division, Room 513, Sanctuary Buildings, 16-20 Great Smith Street, London SW1.

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CBI prepares to fight EEC worker directors plan

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE Confederation of British Industry has prepared the ground for a potentially major battle over the EEC's proposed fifth directive on worker directors being processed by the European Parliament.

It has told UK members of the Parliament that it will refuse to support the implementation of the directive if it includes any reference to the statutory enforcement of worker representatives on company Boards.

The CBI supports those of the Parliament's members who are trying to water down the draft directive's proposals. But its leaders have made it clear that it has not budged from the total opposition to worker directors it developed in response to the 1977 Bullock Report on Industrial Democracy.

The CBI emphasised this policy at a recent meeting with the Members of the European Parliament shortly after the Institute of Directors launched a propoganda campaign with a document called The Fifth Directive—A Trojan Bullock?

The EEC has been developing the fifth directive for some eight years. Originally it envisaged worker directors having a third of the seats on the top level of a two-tier company Board structure.

It is moving towards a flexible system to allow a company to opt for either a one-tier or two-tier board structure with workers' representatives being accommodated either on the board itself or in a separate advisory body closely linked to the boardroom.

The European Parliament is expected to produce its version of the directive by the end of the year. But it could then take a further two or three years for the directive to be finalised. After that there would be a transitional period, perhaps stretching almost to the end of the decade, before companies would be forced to take action.

Both the Institute of Directors and the CBI intend to fight a long-term battle. The institute in particular has decided to use the European Parliament as the first important battleground.

Austin Morris to launch new versions of Maxi

BY JOHN GRIFFITHS

REVISED VERSIONS of the Maxi 5-door estate models, to be called the "Maxi 2," were announced yesterday by Austin Morris.

Exterior changes affect the grille, bumpers and other fittings. Inside, seating, instruments and trim are improved and a radio is fitted as standard.

The models should give BL a sales filip additional to the price-cutting campaign launched yesterday on many of its other models.

The Maxi is excluded from the latest price cuts, which range from £100 on a Mini to £500 on a Dolomite. Nevertheless, the "new" versions are still cheaper than Maxis sold at the start of this year. This is because BL discounted its price by 10 per cent in March, a "special offer" which continued until June, when the discount was reduced to 5 per cent. The Maxi 2's price is roughly 3 per cent higher than the June level. Thus, the top of the range Maxi 2 1750 HLS, at £4,658, is about £20 cheaper than a model bought in January.

The earlier Maxi price cut had a dramatic effect on sales, lifting it to fifth place in the top 10 list of best sellers in March.

● Porsche is extending its anti-corrosion warranty from six to seven years on new models. The latest 911SC model is claimed to have 21 per cent better fuel economy, a revised 924 Turbo an improvement of 14 per cent. Prices are up by 3.9 per cent on the 911SC (£16,731), and 2.7 per cent on the 924 Turbo (£13,998).

Steering a difficult course to solvency

WHEN I mentioned in Middlesbrough that Workington was to be my next port of call, faces fell the proverbial mile. It is like that everywhere when you mention the Cumbrian port.

Perhaps it is because the town is so far off the beaten track. The many holidaymakers who descend on the Lake District seldom venture as far as this part of the coast.

The town may have its problems but it is not a depressed area. That may sound unusual with unemployment at 10.4 per cent but the mainstay of the economy, British Steel's rail producing works provides jobs for over 4,000 people and two of the other leading manufacturing companies, British Leyland and Thames Board, have both announced expansion plans which should see another 400 jobs created.

This is good news, just the sort that Capt. Malcolm Ditchburn is most anxious to impart. He is, to give him his full title, the senior Trinity House pilot for the Whitehaven and Maryport district. In effect, he is pilot for Whitehaven and Workington, since Maryport, a few miles up the cost, has long since closed.

"This is a fine port," he says of Workington. "It is the only deep water port between Liverpool and the Clyde; the council has improved facilities no end since it took over from British Steel six years ago; and we can handle vessels up to 10,000 tons.

"We've had our ups and downs, I admit. When steel was in its heyday we used to bring in 1m tons of iron ore a year. That trade has largely ended. Coal has also gone.

"But in their place we have captured a liquid sulphur trade, soon we shall have a roll-on/roll-off service bringing nuclear waste from Dounreay destined for Windscale, and coal is on its way back. As one door closes another opens in this part of the world."

The common view of a pilot's function, I suppose, is that he brings a ship into port, docks it, and in due course takes it back to sea. This is true so far as professional skills are concerned—knowing the channels, manoeuvering a ship through a restricted dock entrance and getting on to the vessel safely from the pilot launch.

JOURNEY ROUND ENGLAND

By Anthony Moreton

In Whitehaven, for instance, the gap between the north and west piers is 520 feet but the navigation channel narrows to 80 feet in places. From the west pier to the north wall, known as the Devil's Elbow, a vessel has to be manoeuvred through a 252 foot gap. That is Captain Ditchburn's problem.

"You might have to bring a 270 foot vessel through this gap. The way to do it is to get the bow past the point before you swing the stern around. I don't know a trickier harbour than Whitehaven, I really don't. And if the wind is coming down from the north-west it can be hell."

But the pilot is also something of a public relations man for his port. Pilots are self-employed and so it is in their own interests that they should "sell" their port, should provide round-the-clock service and make life easier for a ship's master. If they don't the vessels might dock elsewhere.

Providing that service is not easy in this part of the north-west. "This is a very difficult coast. There is very little shelter and when the wind is coming from the north-west, sea conditions can be very difficult. If you are boarding a ship you have to judge the moment to jump from the launch on to the rope ladder very carefully. It's no good trying it as the ship is going down into a wave; you have to wait for it to rise.

"There's no room for second thoughts. You can't come back once you have made your decision. It may sound easy but it's not. We've lost two pilots here in the past 12 years. We never found the body of one of them."

By law, Workington and Whitehaven must each have a pilot on duty for each of the two high tides every day—and Captain Ditchburn has just two colleagues.

Capt. Jim Meeks, a Geordie, has been with Malcolm Ditchburn for nearly 17 years but Capt. Tony Ireland is a newcomer who arrived from the south coast 20 months ago. Each has a full master's ticket: it's just that they have opted for a shore-based life. The need to cover every tide makes it difficult to get a day off and almost impossible to arrange holidays.

A fourth man would help, of course. But then pilotage charges would go up and ships might decide to go elsewhere.

Although the pilots come under Trinity House's aegis, they earn their income via a complicated formula which takes into account the draft and tonnage of a vessel. All the money goes into a pool out of which Trinity House gets 5 per cent, the men's pension fund 15 per cent, and the pilots share the remaining 80 per cent.

There is also a separate fund, and set of charges, to pay for their vessel. A new launch can cost upwards of £100,000 and it needs a very substantial vessel to operate in the rough waters of the Solway Firth. Their present launch was built on the Clyde in 1959 by Alexander Noble and would cost at least £80,000 to replace.

It is a far cry in Workington today from the boom period of these ports. Once, perhaps a century and a half ago, Whitehaven was the second most important port on the west coast, giving ground only to Bristol. The Cunards and the Brocklebanks started here and it was only when they moved down to Liverpool, where there was space to expand, that the Mersey grew.

Malcolm Ditchburn and his colleagues are aware of the historical importance of their ports and are determined to ensure that the deep waters will continue to attract shipping.

Tomorrow: Waste not, want not in Lytham St. Annes.

Leonard Burt

Capt. Malcolm Ditchburn: He sees hope for the port in liquid sulphur and Windscale nuclear waste

Council houses scheme delayed

By Andrew Taylor

LEGISLATION giving council tenants the right to buy their own homes will not take effect until October 3, Mr. John Stanley, Housing Minister, said yesterday. The legislation was approved by Parliament last week when the Housing Bill received Royal Assent.

Although enforcement of the new legislation is to be delayed until October 3, council tenants seeking to buy their own homes will not lose out, Mr. Stanley said.

"Tenants can be assured that the valuation of their homes will not go up during this period.

Radio manufacturers fear Carfax deferment

BY ELAINE WILLIAMS

BRITISH radio manufacturers are worried that the Government might defer a decision to introduce a nationwide Carfax system — a radio information service for motorists developed by the BBC.

A system of self-financing has been proposed by Radiomobile, one of several UK manufacturers collaborating with the BBC. Radio makers would be responsible for raising the total capital and running costs of the Carfax service. It is hoped that this will allow the system immunity from spending cuts.

Carfax, which gives details of traffic jams, accidents and road works to drivers with a special radio receiver, will cost about £1m a year to run.

So far more than £250,000 has been spent on the project, which is sponsored by the Transport and Road Research Laboratories on behalf of the Department of Transport.

The BBC says the country could save between £5m and £10m a year by reducing the time motorists spend in traffic jams. This would save on fuel costs as well as wages and cut the accident rate.

Radiomobile says it is ready to go into production as soon as a decision is made to implement the full service.

But a rival system developed by Blaupunkt, represented in the UK by Robert Bosch, has been in operation in West Germany for several years. The company says its introduction in the UK will cost only £25,000.

By the end of 1980 the Blaupunkt automatic radio information service—ARI—is scheduled to be installed in Austria, Luxembourg, Switzerland and Spain. According to Bosch, Denmark and Yugoslavia have also decided to adopt ARI.

Either system would add about £10 to the cost of a car radio. Buying an adaptor to existing equipment would cost an extra £20 to £30.

Bosch says that ARI would offer more export opportunities to British manufacturers because it is already internationally accepted. Carfax would have little appeal outside the UK.

Vehicle licence stamps issued

VEHICLE LICENCE stamps went on sale at all post offices yesterday, helping motorists to save for their licences during the year.

The £5 stamps may be used to buy any type of motor vehicle licence at all post offices, and sub-post offices.

The stamps may also be used at any Department of Transport local vehicle licensing office.

A vehicle licence costs £60 for a full year for a private car. The stamps can also be used for shorter-period licences and for heavy goods vehicle, motorcycle and other vehicle licences.

UK NEWS – LABOUR

Adwest plant mass picket returns after talks with police

BY OUR LABOUR STAFF

A SECOND mass picket was held yesterday outside the works of Adwest Engineering, Reading, after discussion with the local police.

The picket was described as "very noisy, but basically peaceful" as between 100 and 120 protested at sackings in May. In the last mass picket on July 14 there were 26 arrests.

Yesterday's passed off without incident after the police agreed that 10 pickets could stand at the gate provided the rest kept to pavements on either side.

Mr. Martin Kaufman, a member of the strike committee whose sacking during a work-to-rule started the protest, claimed that the police had refused until yesterday to let anybody stand at the gate itself.

The Government's draft code of practice on picketing, published last week, said that six was the "right number." But Mr. Kaufman said that the committee did not recognise either the code or the new picketing laws. The arrangement with the police was a compromise and was only "temporary."

Over 50 workers, including seven out of nine shop stewards, have been sacked, and their jobs since taken by others.

They plan to protest outside the London headquarters of the Transport and General Workers' Union which, like the Engineers, has not made the dispute official.

Higher energy price may hit industry, Howell told

BY SUE CAMERON

A WARNING that industry is likely to be further damaged by more "substantial" energy price rises came yesterday from Mr. Len Murray, general secretary of the TUC.

Mr. Murray has written to Mr. David Howell, the Energy Secretary, saying that there is a grave danger that imposition of over-rigid cash limits on nationalised energy industries will have "a crippling impact on their operations."

He says that the financial targets will "have the effect of forcing further substantial price increases for energy in addition to those already imposed by the Government." The result would be to increase inflation and "to damage further British industry's competitiveness in international markets.

"This is particularly serious for energy-intensive industries, as many of our major overseas competitors have the benefits of energy supplies which are heavily subsidised by their governments."

The letter calls on hte Government to "take a more relaxed view of cash limits on the nationalised energy industries, as a matter of urgency."

Mr. Murray states that the electricity and coal industries are "already suffering massive revenue loss" due to fall in demand which "to a large extent is itself the result of the Government's deflationary economic policies."

'Lump' views welcomed

BY OUR LABOUR STAFF

THE RESEARCH and recommendations of the defunct Construction Industry Manpower Board would form the basis of future discussions between both sides of the industry, the National Federation of Building Trades Employers said yesterday.

The Federation said it welcomed the Board's final report, including its views on the "lump" — men who become labour-only subcontractors to avoid paying tax and national insurance.

The Board was set up during the Labour Government after pressure from the building unions and the TUC, which hoped it would eventually become the means of decasualising the industry's labour force. It was wound up by the present Government.

$13m order for Marconi Avionics

A $13m (£5.4m) development contract which, with follow-on production orders could total over $100m (£42m) has been placed by the U.S. Air Force areonautical systems division with MARCONI AVIONICS (a GEC-Marconi Electronics company). It is for new-technology head up display systems, which will form part of the USAF's important LANTIRN programme, and involves two of the most recent aircraft types to enter USAF service, the General Dynamics F-16 fighter and the Fairchild A-10 close support aircraft. LANTIRN, which is a low-altitude infra-red night vision system, comprises an externally-mounted pod, which will extend the capability of attack aircraft to operate, with equal effectiveness, day and night. The Marconi Avionics System projects the image of the night scene, together with symbols, representing data important to the aircraft's mission, over a very wide field of view, ahead of the pilot. The system, based on the use of diffractive optics, incorporating holograms, is the most advanced to be developed for a specific service application.

★

The Directorate-General of Civil Aviation, the Sultanate of Oman, has placed a contract with **PLESSEY RADAR** for the supply and installation of a primary and secondary radar system at Seeb international airport. Valued at over £2m, the contract is for the supply of medium range air surveillance radar together with an automated secondary radar system, installation and commissioning services, and the provision of a resident maintenance engineer for a two-year period following handover.

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BRITISH ROPES, a Brydon company, has received a £1m wire rope order for a cable belt conveyor installation. About 15 km long this conveyor will handle up to 2,700 tonnes of coal an hour via one of the two drifts at present being driven at Britain's latest and largest coalfield, the NCB's Selby mine complex in South Yorkshire.

★

Two contracts worth £580,000 have been won by **PYE BUSINESS COMMUNICATIONS** of Cambridge for the supply and installation of two electronic telephone exchanges in Metropolitan Police buildings in London. The exchanges will form part of an integrated communications network centred on New Scotland Yard and each has been tailor made to meet requirements of the Metropolitan Police.

★

The U.S. Navy has selected the Agiflite camera to be the standard hand-held camera aboard all active P-3 Orion ASW aircraft, **AERONAUTICAL AND GENERAL INSTRUMENTS** has been awarded a $2m (£840,336) contract to begin supplying the camera to VP squadrons.

Union-management forum hears TUC

Murray calls for joint commitment to change

BY NICK GARNETT, LABOUR STAFF

INDUSTRIALISTS HAD belatedly begun to tell the Government its policies were going badly wrong, Mr. Len Murray, TUC general secretary, told a joint union-management forum yesterday.

With output falling, investment down and imports threatening crucial manufacturing sectors, industrial managers were now telling Ministers "what needs to be done, and done quickly, if we are to have a viable manufacturing industry in the future."

Speaking at a union-management reception given by the Society of Graphical and Allied Trades, Mr. Murray said the country desperately needed, from Government and industry as a whole, a commitment to change.

Changes in national economic policy were needed urgently, together with changes in industrial relations systems and trade union practices and structures.

"Sitting round a table, shaping our common future in an orderly, planned, agreed way" was the route the country should take at national, industry and company levels, Mr. Murray told the forum, at the union's Manchester offices.

Mr. Murray said the paper and packaging industry in the region had demonstrated, with the union, the positive results of consultation and co-operation.

This had partly resulted from the link between union co-operation and employers' agreement to invest.

He welcomed assertions from these employers about the quality of the workforce in the North-West. He suggested there should be wider recognition "that the general standard of industrial relations in Britain is very high indeed." If employers put facts and problems on the table, they deserved the full support of their workforce.

Prosper

They also deserved an economic climate in which British industry could prosper. "The Government can't create that by itself. We must all play, and we must be allowed to play, each our positive part."

One Chancellor of the Exchequer did not make a summer but the present one, almost single-handedly, was bidding to provide the country with a "pretty bleak winter," Mr. Murray said.

There were two signposts that provided a little hope. One was that there were limited signs that the Government was beginning "to take seriously its own assertion that monetarism is not enough.

Government cash assistance to INMOS, its decision to review again the Inland Revenue computer contract, and some ministerial assertions that something had to be done to relieve the position of the unemployed were examples of this.

A second pointer was the greater willingness of industrialists to tell the Government that things were going wrong.

They ought now to spell out to the Government the dangers of the legal path it was going down in industrial relations, Mr. Murray warned.

"It is obvious to me, and it oughth to be to you, that the Confederation of British Industry is not, on any of these matters, really punching home to the Government the complaints, fears, and frustrations of its own industraillist members."

The CBI, however was adopting a progressive attitude in some spheres, including its approach to a New Technology agreement with the TUC.

Mr. Murray repeated the TUC's belief that North Sea oil and gas revenues were being squandered when they should be pumped into rebuilding manufacturing industry and developing new energy resources.

He had great confidence in British workers and in Britain, and hoped he was not over-optimistic in believing there could be real commitments to change from Government, unions and management.

BSC may seek aid for S. Wales

THE BRITISH Steel Corporation may seek more financial help from the Government for the South Wales steelworks at Llanwern and Port Talbot.

The corporation is due to hold talks today with unions on the possibility of applying to the Department of Employmen for help through the Temporary short-time Working Compensation Scheme. The corporation can only get this help if the unions agree, and talks will take place between management and union officials at both plants.

Under the scheme the Government would pay 75 per cent of the wages of employees while they were not at work plus national insurance bu the short-time must avoid redundancies. The two works will have shed more than 11,000 jobs by the end of next month.

At the talks a number of other ways of dealing with what are described as "very, very poor order books" will be discussed. Holidays have already been extended and there have been production pauses. The short-time scheme has alrady won union agreement at three of BSC's tinplate works in South Wales.

● Revlon International, the cosmetics group, may make up to 250 workers redundant at its plant at Maesteg, South Wales.

Talks are going on with the unions, the alternatives being either the loss of 250 jobs or acceptance by the workforce of short-time working with 100 redundancies.

● The strong pound and high inflation is endangering the export position of the British farm machinery industry, the Agricultural Engineers' Association warned yesterday.

"If the pound continues at its current level with high interest rates and high inflation at home, without large gains in productivity, the UK will lose its export leads," said the association.

The latest figures showed exports of farm machinery for the second quarter of the year were 26 per cent down on the same period of 1979.

UK redundancies, Page 12

MANAGEMENT

EDITED BY CHRISTOPHER LORENZ

Canada's rising star dials through to the UK

Jason Crisp reports on Mitel, a fast-growing telecommunications company which is pitching for a key Post Office contract

"BY 1985 I can see us having a turnover of a billion dollars . . . there is nothing stopping it," is the perhaps absurdly extravagant boast of a small Canadian telecommunications manufacturer whose sales last year were a scant C$43.4m.

Much in the same vein, and in keeping with the growth forecast, its irrepressible British founder Terry Matthews is able to scoff at a price-earnings ratio of over 40 and claim the shares are greatly undervalued. Well he might—he owns a quarter of the equity. And as if he were trying to ram home his point his company two weeks ago launched a massive $55m cash bid for an American computer terminal manufacturer.

But for the fact that Mitel's record to date is highly impressive, Matthews' almost Napoleonic attitude to the telecommunications industry would be risible.

Founded in 1973 in Ontario by two Britons, Terry Matthews and Dr. Michael Cowpland, both of whom are still only 37, Mitel has had a meteoric growth which is unsurpassed in Canada and comparable only with the more spectacular U.S. semiconductor manufacturers.

Last year's sales of C$43.4m were double the previous year's which, in turn, were almost twice those of the year before. In the first quarter of this year alone, sales topped C$20m and Mitel expects figures for the whole year to be between C$110m and C$120m.

Despite this growth, however, Mitel has yet to prove it can make the difficult transition from being a fast-growing small company to a fast-growing large one.

Mitel's business is confined to the telecommunications industry which is growing rapidly throughout the world. The lion's share of its sales comes from small private exchanges, which it only introduced in the spring of 1978. This year the company expects to sell 15,000 small private exchanges, which will be more than any other manufacturer in the world although, because they are small, Mitel is not the leader either in value or in the number of exchange lines.

Terry Matthews, a former Post Office research engineer, met Dr. Cowpland, a fellow immigrant to Canada, while working for Microsystems International, part of Bell Canada's manufacturing subsidiary, Northern Telecom. They left in 1973 — two years before Microsystems failed — because they were frustrated with its management, and decided to turn a part-time micro-electronics and telecommunications consultancy into a full-time manufacturing operation.

Mitel's first products were sub-systems, designed by Cowpland, which were sold to other telecommunications manufacturers. A typical example is a "tone to pulse converter" which changes the musical tones you hear when you push the buttons on North American phones into an electronic signal.

In 1976 Mitel bought the manufacturing facilities of a failed semi-conductor company, which had been sponsored by the Quebec Government, for $1m. In a matter of months it was operating in profit under the new name of Mitel Semiconductor. It not only makes large scale integrated circuits for its own private exchanges and sub-systems, it also sells its microcircuits to other telecommunications manufacturers in competition with the established giants of the semiconductor business.

Low power

One of the many keys to Mitel's success to date has been a number of technological breakthroughs in its semi-conductor manufacture. The technology it has developed in Iso-CMOS (which stands for oxide-isolated, fully recessed, complementary metal oxide semi-conductor) is particularly suitable for telecommunication use and gives the company at least a one year lead over the competition — "two years," says Mitel. The advantage of this technology is that the microprocessor is both fast and uses low power consumption.

An impressive array of companies has beaten a path to Mitel's headquarters in Ontario seeking to license this technology. Earlier this year the British Post Office and GEC signed licensing agreements with Mitel. The Post Office will develop micro-circuits using Iso-CMOS, as will Plessey (which is still negotiating a licence), and GEC which will also manufacture the chips.

Indeed, GEC has now reorganised its three main micro-electronics companies into a single division largely based around Mitel's CMOS technology and is concentrating on the manufacture of special custom-built chips—in contrast to its plans for mass production with Fairchild.

Although no one would deny that Mitel has been successful with both its sub-systems and its micro-electronic products it is the small private exchanges which have really powered its very rapid expansion over the past two years.

The first small exchange launched by Mitel was the SX200 which it introduced only in March 1978. It is a small, low cost, electronic exchange with up to 180 extensions. When it was first launched Mitel made 100 units a month; currently it is manufacturing over 500 a month. The biggest breakthrough was when it was approved by the American giant AT&T for use by its own operating companies; in effect AT&T acknowledged that Mitel had come up with a better product than could its own manufacturing arm, Western Electric.

Mitel has followed up the SX200 with a rapid succession of other products. First the SX100, a smaller version of the 200 with up to 100 extensions, then the SX20 with up to 72 extensions.

All three have been particularly successful.

First of all they are relatively low priced. To give an example: the British Post Office has developed its own small electronic private exchange, called the Monarch, to replace the ancient electro-mechanical models it currently offers. It is being manufactured by GEC and Plessey and technically it is a very highly thought of digital exchange that should be available in September this year. The problem is that it is believed to cost, at present, around £400 a line. Mitel's equivalent product is estimated to cost less than £120 a line for the larger sizes.

Hugh Routledge

The lion's share of Mitel's sales comes from small private exchanges. Terry Matthews is holding the SX20 which can have up to 72 extensions

Another advantage of Mitel exchanges is their size. They are smaller than their competitors. The very latest product is the SX10. Mitel's smallest exchange. With up to 16 lines it is no bigger than a businessman's briefcase, with all the electronics confined to one circuit board. A dozen would be more usual.

Another aspect which the company claims for its exchanges is that, unlike other manufacturers, it offers special features such as abbreviated dialling and "paging" as standard.

Although all this may sound too good to be true even some of Mitel's competitors are given to showing grudging admiration for this upstart Canadian company.

Neither Mitel's position in technology nor its present range of products is much in question—they are good. But there are several big inevitable question marks which hang over the company. Can it continue to finance meteoric growth? Can it actually manage that growth? And will it be vulnerable to counter attacks from its giant competitors as they are stung into action by Mitel's encroachments?

Mitel went public in June last year with a 10 per cent offering which raised C$10.5m for the company on the Toronto Stock Exchange. At the end of June this year it issued a further 6 per cent of the equity, this time raising C$17.7m.

Cowpland and Matthews between them own 48 per cent of the company. The Canadian Government, which provides financial assistance to Mitel for its development work, has certain restrictions on Matthews' and Cowpland's right to sell their shares, principally so that the company cannot fall into foreign hands. Mitel s Canada's only commercial domestic producer of microcircuits.

The company has a 10-year agreement with the Government under which it will receive up to C$20.93m which has been allocated to two projects.

One is a capital expansion project in which the Government is paying up to half the cost of capital equipment, the second is Government assistance in product development. The Government grants have clearly been crucial for Mitel in its early stages, particularly as R and D is currently running at over 12 per cent of sales. Last year about 20 per cent of R and D costs were funded by the Government: this year, however, the percentage will decline.

Although much of Mitel's expansion is self-financed—it pays no dividends nor does it intend to do so in the near future—it is clearly going to need further external finance if it is to maintain its ferocious rate of growth. The net margin on sales for the year ending February 29, 1980 was 12.8 per cent—slightly lower than the previous year which reached a record 14.3 per cent.

Last year short term borrowings rose very rapidly from C$1.7m to C$10.7m which is over twice the level of long term debt, largely because of a sharp rise in stocks—mainly raw materials—from C$6.8m to C$23.3m.

The actual management of an organisation expanding as fast as Mitel can bring major problems—each year getting on for half the staff will have been with the company less than 12 months. At the moment it employs 1,700. It is particularly important in a high technology, entrepreneurial company like Mitel that the staff are of a high level of competence but are also content to remain with the company.

Matthews, who selects the key personnel himself, sets considerable store on the quality of people and is, he says, not surprisingly, very careful in his choices. "Not only do they have to be very good technically, but they must have a good attitude."

Interestingly, on the marketing side Mitel recruits engineers who show an ability to communicate well and then train them in marketing.

Mitel keeps each individual operating unit small. At present the largest is the headquarters at Kanata in Ottowa which employs 450 people. It also manufactures at two other sites in Canada, three in the U.S., one in the UK and one in Shannon in Ireland. There are plans to move the rather small assembly operation in the UK to a works in Reading, ten times larger, early next year. This will be its European headquarters.

Oil rigs

Although the U.S. is Mitel's most important market—accounting for almost 75 per cent of sales—the UK has been singled out as a major growth area. At present in the UK Mitel sells private exchanges which are used only as internal networks mainly by Electricity Boards and on North Sea oil rigs. Matthews goes to great lengths to emphasise the strength and potential size of the UK operation.

The UK is attractive to Mitel for a number of reasons. First, it is the third largest telecommunications network in the world and is expanding at 5 to 6 per cent a year. Second, it is eventually to become a more liberalised market as the Post Office will, under proposed legislation, lose its monopoly on the supply of telecommunications equipment which may be attached to the network.

And because British Telecom — as the imminent telecommunications side of the Post Office is now known — will suddenly face the cold winds of competition, it is hitching itself in a number of ways to this high flying leader in technology.

Not only is the Post Office manufacturing and developing microchips using Mitel's technology for its system, but both the Post Office and Mitel are jointly developing a small private exchange based on the 16 extension SX-10.

The company is also one of the leading contenders in an open tender to supply the Post Office with 1,500 small exchanges. The result should be known shortly.

Mitel's directors are relentlessly optimistic about the future of the company. Not only has it moved down the scale by producing smaller exchanges, it is also planning to introduce a much larger one next year which will take it head-on into competition with some of the biggest and best-known names in telecommunications.

Matthews claims that the SX-2000 which Mitel plans to introduce next year will be a modular constructed digital switched exchange which can range in size from 150 to 35,000 lines. In addition to carrying voice he says it will be suitable for data transmission.

And last month Mitel made a U.S.$55.5m cash bid financed by its bankers for a New York-based manufacturer of computer terminals, Applied Digital Data Systems. ADDS has 400,000 sq ft of manufacturing space, much of which is not being used. This enormous bid by Mitel's standards, will, if it can digest it, take it into the computer market and eventually the much vaunted office of the future. It is being contested on price grounds alone.

Matthews is not particularly worried about fierce retaliatory competition from the established giants of the telecommunications manufacturers but rather from new small fast growing companies such as Mitel itself.

The confidence of this tight-run group knows no bounds. The question of whether it remains justified remains unanswered but British faith in this high flying company will be tested when it is quoted on the London Stock Exchange later this year.

Technical News

EDITED BY ARTHUR BENNETT AND ALAN CANE

● COMMUNICATIONS

Office machine has all the answers

THREE OFFICE functions—telephone answering, audio dictation and phone conversation recording—are brought together in a compact machine which fits conveniently under the telephone instrument and has been put on the market by Agovox.

Known as the Compur 385 and made by the Carl Zeiss Group in West Germany the unit has a number of useful facilities. For example, there is no need to return to the office to play back the messages received. The machine can be interrogated by using a pocket encoder from any phone instrument anywhere in the world and instructed to play back or, if desired, erase the messages.

Much of the size reduction results from the use of a minicassette for recording, a move which brings the machine into line with an increasingly popular office standard. Indeed, the machine can be used, when the office is occupied, for office dictation—a headset and footswitch can be supplied.

If the machine is to be left unattended for unusually long periods the machine, which is known as the C385 can be linked to a standard tape recorder; messages on the minicassette can be erased in the knowledge that they will be safely kept on the secondary recorder.

Further facilities, made possible by the use of a microprocessor to organise the machine's activities, include two way recording of a conversation, easy logging and location of messages, a message length limiter (the machine can be made to stop recording an incoming caller after one or two minutes), and an answer only facility in which the machine merely delivers a message to the caller without allowing him to record anything.

Rental, which includes on site service, is at a weekly equivalent rate of between £3.72 and £6.46 depending on the contract. The outright purchase price is £750, with a three-year guarantee and three years' free on-site service.

More from Agovox, 4, Sydenham Road, London SE26 5QY. (01-778 7255.)

Edits full page telex messages

THE ABILITY to edit and perfect long telex messages before transmission is provided by a screen, keyboard and paper tape punch combination put on the market by Volker Graig (UK), Tolpits Lane, Watford, Herts WD1 8XL (Watford 40043).

Called Teletaper, the equipment is made by the company's parent in Canada and incorporates full page editing and error correcting facilities. Up to 16 pages of text each containing up to 2,000 characters can be prepared and held ready for transmission (by feeding the tape to the telex transmitter). However, as well as telex code to the punch, the machine can also produce ASCII signals.

A number of the 12 in screen VDUs can be connected to the single punch unit which could be located centrally in a telex room, notifying the VDU users when it is free.

The Teletaper VDU costs £1,200—claimed to be half the price of comparable performance machines—and the Telepunch unit is priced between £1,300 (50 characters per second) and £1,800 for a 75 cps unit. Lease or rental can be arranged.

● RESEARCH

Fire test facility

MAJOR CHANGES in the use and interpretation of fire tests have taken place over the past decade, says Rubber and Plastics Research Association of Great Britain (RAPRA), Shawbury, Shrewsbury, Salop (0939 250383).

Two key factors are: an increasing demand for full scale tests, and a greater appreciation of the effects of the immediate environment on the progress of a fire; RAPRA is meeting these new requirements by adding an extension to its fire test facility.

This effectively converts the existing fire chamber into a 35 cubic metre fume cupboard particularly suitable for larger scale tests. The chamber itself is connected to the existing room/corridor facility and can make use of all existing instrumentation for measuring temperature changes, heat generated, and quantities of smoke and fire gases.

The original RAPRA facility (consisting of a single room and corridor with a small instrument room) has been continually developed and now offers several burning chambers and fume cupboards, backed by comprehensive monitoring, analysis, laboratory and test facilities.

Further information from Dr. Keith Paul at RAPRA.

● WOODWORKING

Routs and shapes in safety

A ROUTER-MOULDER of modular design, with special features to comply with health and safety legislation, has been introduced by Wadkin, Green Lane, Leicester (0593 769111). For positive feeding of the timber the machine has both infeed and outfeed bed rolls.

A 6,000 rpm belt-driven pre-dressing head planes the undersurface of the work and removes grit before the four high-frequency cutting heads begin to bite. The heads run at 15,000 rpm when cutting and 3,000 rpm when setting up. Tilting side heads, infinitely variable from 0 to 45 degrees, are designed to minimise noise.

To ensure maximum safety for the operator the work area is completely isolated under a close-fitting hinged hood and there is automatic braking on all cutting heads.

The router-moulder is available as a package with the Wadkin Autoform NX profile grinder; this is fitted with an abrasive wheel to profile the tungsten carbide tipped cutters at the same speed as high-speed steel.

● METALWORKING

Jet blade casting advance

WHAT IS described as "a major advance in the casting of high-performance superalloys for aircraft gas turbines" has been announced by the General Electric Company of the U.S.

Made possible by the development of a new ceramic core material, the advance permits the manufacture of hollow, intricately shaped jet engine components, including turbine blades, from oriented eutectic superalloys. These alloys, among the toughest and most heat-resistant ever produced, promise marked gains in efficiency and jet thrust, GE claims.

The new Koralox core material was specially developed to create highly complex passageways within turbine blades cast from the new alloys. The passageways conduct a flow of compressed air to cool the blades, which are subjected to gas temperatures approaching 3,000 degrees F.

Key to the advance in casting is a process developed at GE's research centre at Schenectady, New York State, for the "selective densification" of alumina as a high-temperature ceramic. GE claims that this process solves the physical problems that had prevented alumina from being used for cores in casting.

The primary obstacle to be overcome was the chemical insolubility of the ceramic. In its conventional form alumina was found impossible to remove from the internal passages of a finished casting. In addition, the material's high density and inflexibility would cause castings to crack internally as the metal cooled, solidified and shrank around the core.

Selective densification solves both these problems, says GE. With this process it is possible to produce intricately shaped alumina cores of porous, honeycomb-like interior structure and a tough, dense outer "skin." The Koralox core's tough "skin" is claimed to make it impervious to molten alloys while its porous interior prevents it cracking the metal as the turbine blade cools after solidifying.

Koralox cores are produced by injection-moulding a blend of powdered alumina and a special "fugitive" filler, held together with a wax binder. The resulting "green" part is then fired in a controlled atmosphere at high temperature.

Because of its porosity Koralox can be readily removed from the cooled casting by a simple chemical leaching process that does not damage the valuable alloy, GE reports.

Straightens saw blades

THE DIFFICULT and time-consuming task of straightening, levelling and tensioning bandsaw blades by hand is claimed to have been largely obviated at Ashton Sawmills, Monmouth, since the company installed a new automatic machine, the Rekmatic, imported from France by C. D. Monninger, Overbury Road, London N15 6RJ (01-800 5435).

With the conventional maintenance methods, using hammers, gauges, and straight edges to flatten the blade back and level it out throughout its length, additional equipment is needed to restore the transverse curvature across the width of the blade to ensure that it does not wander on the pulleys.

The Rekmatic machine, it is claimed, can perform all these maintenance functions automatically with only a semi-skilled operator in charge. Defects cannot pass unnoticed or be over-corrected and the blade is not marked by hammer blows. Once the blade is placed on the machine and the automatic cycle started the operator is free to do other jobs until the cycle is completed.

Two Rekmatic models, RD20 and RD30, are available for blades up to 8 in wide by 17 ft minimum length and 12 in wide by 18 ft minimum length respectively.

Restores the shape

AN automatic process for straightening shafts and cylindrical components which have been distorted by heat treatment has been introduced by the Addison Tool Co., Westfields Road, Acton, London W3 (01-993 1661).

With the Addison SOM 300/A machine the parts to be processed are loaded into an inclined magazine from which they are fed automatically, one at a time, to the straightening platen. The process is claimed to be rapid, quiet and well proven on the Addison manually-operated machine. It involves no gauging or systematic quality control.

Addison claims that an important advantage of the straightening action employed in the SOM 300 machine is the stress-relieving of the component, which becomes more stable than a part that has been only hand-straightened.

Discharge of the component is also automatic and up to 900 pieces an hour can be processed compared with 650 pieces on a manually-loaded machine, Addison claims.

● HAND TOOLS

Aids printed circuit assembly

A CLENCH and cut hand tool for electronics engineers, recently developed by Elite Engineering, Salterns Lane, Fareham, Hampshire (0329 231435), will be exhibited for the first time at Internepcon in Brighton (October 14-16). The tool, plastic-bodied and therefore light and easy to handle, is designed for use in printed circuit board assembly. It enables the component wires to be simultaneously clenched and cut. This, in one simple operation, both secures the component to the board and cuts the lead to length.

The printed circuit board can then be safely handled before machine soldering without the risk of components falling out or "floating" up. The operation of clenching, or flattening, the wire also cleans it and makes it easier to solder.

● ACOUSTICS

Muffles the noise

ACOUSTIC panels which can be made up into enclosures and used by staff as refuges from noise are being offered by Acoustic Treatments, 99 Leigh Road, Eastleigh, Hants (0703 612312).

The pvc-faced 600mm wide panels are in lengths up to six metres and easily linked together. There is no need for supporting framework.

Erection can be accomplished by unskilled labour, says the company which, however, offers a complete installation service. The panels are easily cut to fit around services, pipe runs, etc. using an oscillating jigsaw.

Electrical services can be concealed within the panel joints and, if necessary, the whole assembly can be demounted and rebuilt elsewhere in a different form.

The panels are maintenance free and easy to clean, with the pvc facing available in a range of colours and textures.

● PERIPHERALS

Versatile printer

MADE BY Technical Analysis Corporation of Atlanta and available in the UK from Solitaire Business Systems is a printer which, although it is basically a 300 line per minute matrix unit has electronics to enable it to print almost any shape or fount of character up to 2.8 inches high and 2.0 inches wide.

Known as the PPM (programmable printing machine), the unit can also produce some 21 different bar codes, OCR(A) and OCR(B) characters, vertical lines or print, a wide variety of lines, and reversed (white on black solid rectangle) characters.

A secondary agreement has already been made by Solitaire with Systems 200, the Harlow bureau and systems house, under which the latter will supply the PPM on a dealer basis to all Honeywell Level 6 system builders.

Applications will occur in publishing, in pallet or bin labelling in warehouses and in bar coding product identification in stock control and point of sale.

The facilities of the printer are easily utilised claims the company, and the PPM can be supplied with a variety of interfaces to enable it to be used with most mainframe, mini and micro computers.

Solitaire is aiming the printer at system houses and OEMs wishing to incorporate the device into their products. Prices in the UK start at about £5,500 with typical discounts for multiple orders and OEMs. Outside the UK the printer is supplied through the KPG group.

More from the company at 580, Chiswick High Road, London W4 (01-995 3573).

● SOFTWARE

Holiday programs

COMPLETE COMPUTER systems for tour operators can now be offered by Datasaab, Northgate, 72, Northolt Road, Harrow, Middx. HA2 0HE (01 422 3442).

Whether the operator's speciality is camping, motoring, coach, villa, skiing or hotel holidays the system, which runs on Datasaab equipment, can be cost justifiable for the operator carrying from 5,000 to 500,000 passengers a year.

The packages—there are two to suit various Datasaab hardware—are designed to provide an on-line tour booking system with facilities to make inquiries and suggest alternatives, to handle invoicing and staged payments automatically, to produce tickets and relevant passenger lists for hotels, etc., to maintain accurate management information and to link automatically with the accounting applications.

LOMBARD

Hot air about energy

BY DAVID LASCELLES

TO READ the carping criticisms from Europe about the way the U.S. wastes energy, one might easily think the Americans had done little to help solve the world energy crisis. Nothing could be further from the truth, and the sooner people realise it the better.

Not only has the U.S. achieved a quite astonishing turnaround in energy consumption in the past 12 months. It has also beaten the very bounds of political feasibility in so doing. Added to that, the prospects for further improvement are very strong. And unless this message is absorbed abroad, America is likely to get increasingly irritated by the self-satisfied noises emanating from countries who have achieved far less, but which delude themselves that they are setting an example.

I could bombard you with figures showing that the U.S. has not only slashed energy consumption by a quite astonishing amount, but has actually managed to increase its oil production in the first half of this year (somethings the sceptics said it could never do). But I'll spare you the dry details.

All you need to know is the bottom line: U.S. crude oil imports are down 14 per cent on last year, and America's *dependence on imported oil has* fallen from 45 per cent to 40 per cent. This is a remarkable achievement which ranks — in *terms of* the volume of oil involved — on a par with Britain's move into oil self-self-sufficiency. But unlike Britain, whose contribution to the world oil market will now level off, the U.S. will in all likelihood save as much again by the mid-1980s.

Freakish?

Ah, you may say, but this is all freakish because the U.S. is in recession. What happens when demand picks up again next year?

This is a clever but irrelevant argument. The rise in domestic production has nothing to do with the recession. If anything, energy demand has been unseasonally high this summer because of the appalling heat wave and the need for air conditioning in the past two months. Furthermore, U.S. oil prices are now being deregulated, and higher prices will continue to find their way through to the domestic market for a year or more, even if the world oil price weakens a bit. So the pressure for conservation will persist, and by next year more Americans than ever before will be driving small cars.

Instead of harping on U.S. wastefulness, the other industrialised countries should be heaving deep sighs of relief that the U.S. did not succumb to the strong temptation earlier this year to freeze oil prices again as a quick fix for inflation. It would have been so easy. Energy was the most dynamic component of the consumer price index, and it could have been annihilated at a stroke. Credit for strong-mindedness over this must go to President Carter who still has executive authority over oil prices.

Under fire

The quick fix solution is not dead, of course. Mr. Carter, or his successor could still re-control oil prices in the next 12 months. But the U.S. leadership's perception of the energy problem has become quite sophisticated, and few people, be they Republicans or Democrats, in Congress or the White House are seriously proposing re-control.

Rather the opposite. Prominent politicians all advocate *higher energy prices*, whether by accelerating decontrol (as demanded by Ronald Reagan, the Republican candidate) or slapping a colossal tax on gasoline (advocated by Mr. John Anderson, the Independent candidate).

In fact, Mr. Carter has come *under fire for not pushing* energy prices up even faster. But, worthy though demands for a 50 cent a gallon gasoline tax may sound, Mr. Carter demonstrated quite conclusively a couple of months back that it is futile to expect either Congress or the public to accept something like that in election year. His proposal for a mere 10 cent tax was booted out.

So let there be no more snide remarks about monstrous cars and houses shimmering in the haze of their own wasted heat. No wonder the U.S. has suffered a drought this summer: it's all that hot air blowing in from abroad.

Saleroom prices falter

WINE

BY EDMUND PENNING-ROWSELL

THE STRENGTH of the pound and the gathering recession have had their effect on the London wine salerooms as can be seen from the recently ended 1979-80 season. Although there was no dramatic fall in prices, they have not kept pace with inflation, as was generally the case up to a year ago.

The last price peak for those wines that can be measured in this way — leading clarets and vintage ports — was probably reached in the spring of 1979: since then there has been a tendency for prices to fall moderately.

The net sold turnover totals of the auctioneers show they had to *work hard to push their cash* takings a little ahead of the previous 12 months. Christie's held 40 sales in Britain, four more than 1978-79, and its total of £2,349,000 was 12 per cent up: Sotheby's £1,347,000 was 4.6 per cent up, and Bonham's £183,000 plus 2.5 per cent. Sotheby's held 21 UK sales, one more than 1978-79, while Bonham's nine was the same.

In addition Christie's held four sales in Amsterdam and Geneva, yielding a net total of £334,000 (up 20 per cent), but Sotheby's two in place of five overseas auctions, in Amsterdam and South Africa, only produced £263,000, as against £439,000 in 1978-79. In total the London wine auctioneers notched up a respectable if not much increased total of just on £4.5m.

The table gives some idea of the spread of prices during the first part of 1979 and this year for two esteemed vintages among classed-growth claret and vintage port. The 1961 clarets show a clearer drop than those of 1970, and both port vintages appear to have reached higher prices this season than in 1979. *However,* last summer prices finished somewhere near their best, whereas *this year they have* tended to falter.

In terms of quality and maturing age vintage ports have been particularly disappointing for the last year or two, and even famous, fully mature vintages like 1945 and 1955 made generally lower prices last season. It is now possible to buy in the saleroom fine 1963s for little more than the price paid for the recently offered 1977s, while the 1970s actually cost less.

This is partly because there is little interest outside Britain in what are regarded as young vintage ports.

Nevertheless the market for rarities, particularly attractive to transatlantic bidders, has been remarkably firm, and Christie's in particular has unearthed some exceptional cellars, starting last September with an outstanding group of 19th-century clarets from Bordeaux, and what was described as "the greatest single collection of old Lafite sold in London this century." Well, it might have been, as there were *30 vintages, from 1822 to 1962,* and a single bottle of the former fetched £3,500, followed by *£1,400 for one of the 1832. In* June a selection of ancient clarets from the Coq Hardi restaurant near Paris included a bottle of Lafite 1806 that brought £3,300.

It is curious, incidentally, how often it is from Lafite that these rarities originate, although it could not be said that this chateau's wines are more long-lived than those of, say, Latour or Mouton-Rothschild. In the latter sale a bottle of Mouton-Rothschild 1853—one of the oidium vintages—made £1,000; but it is still the jeroboams (equal to 6 bottles) of Mouton 1929 that *make the running:* £2,800 in the same June sale.

The other most interesting sale of the season was in December, with the disposal of the cellar of the late Clarence Dillon, proprietor of Haut-Brion which he purchased in 1935. *There were no pre-phylloxera* rarities, but the span of 30 vintages from 1904 to 1969 contained some remarkable quantities of vintages of the Twenties, including the very fine 1926, of *which a jeroboam made £820.* The cellar realised £98,600.

A mammoth Christie's sale in Amsterdam last November was responsible for its increased overseas turnover. It consisted of no less than 36,000 bottles of wines, spirits and liqueurs removed from the private house of a recently deceased Dutch client of Christie's.

Although Sotheby's had no sales of equal interest, it did break new ground in June with an auction largely given over to California wines, with over 60 wineries represented. If £175 a dozen for Joe Heitz's Martha's Vineyard 1972 *does not look a* vast sum, it does not compare badly with first-growth clarets of similar age. In November Sotheby's plans another innovation, an extensive sale of Riojas.

Old vintages of Yquem continue to trickle through the saleroom and always attract high prices. The best last year was £210 for a bottle of 1869, while the top price among a number *of single bottles of the famous* 1921 was £165. Even the not very rare 1945 reached £350 for three bottles in April.

Prominent Bordeaux châteaux have seen the publicity value of selling in the London salerooms a range of vintages from their private cellars. In November at Christie's M. Eugène Borie sold 21 vintages of his Ducru-Beaucaillou, 14 of Haut-Batailley and 17 of Grand-Puy-Lacoste for a total of £25,180, and later in the same month M. Guy Tesseron sold a more modest quantity of 21 vintages of Pontet Canet and 10 of Lafon Rochet for £5,391. Then, in May, Sotheby's disposed of 16 vintages of Cantemerle for a total of £35,860.

AUCTIONS 1979-80

CLASSED-GROWTH CLARETS

	1979 (January-July)	1980 (January-July)
	£	£
1961 VINTAGES		
Lafite	700-840	500-800
Latour	540-660	525-640
Margaux	520-680	420-520
Mouton-Rothschild	680-700	620-720
Haut Brion	520-680	480-620
Cos-d'Estournel	185-225	185-210
Ducru-Beaucaillou	220-270	200-300
Lynch-Bages	190-250	165-230
Palmer	405-620	420-620
Pape-Clément	200	220-250
1970 VINTAGES		
Lafite	220-280	200-330
Latour	200-250	210-310
Margaux	200-240	180-250
Mouton-Rothschild	175	200-320
Haut-Brion	180-220	175-245
Cos-d'Estournel	82-110	92-125
Ducru-Beaucaillou	98-130	96-150
Lynch-Bages	80-115	84-110
Palmer	145-190	145-180
Pape-Clément	82-92	76-94

VINTAGE PORTS

	1979 (January-July)	1980 (January-July)
	£	£
1963 VINTAGES		
Cockburn	76-92	82-98
Croft	78-90	82-100
Graham	78-90	82-100
Taylor	94-120	100-150
1970 VINTAGES		
Cockburn	70	60-76
Croft	56	56-74
Graham	54-70	68-86
Taylor	68-76	66-90

Jamestino is the one to beat

RACING

BY DOMINIC WIGAN

WITH To-Agori-Mou waiting for Sandown's Solario Stakes, this afternoon's Seaton Delaval Stakes has a sub-standard look about it and I somehow doubt if it will take as much winning as a year ago when Final Straw beat some smart opponents.

The five remaining, after the exit of seven at the final declaration stage, are Grain Race, Robellino, Jamestino, McCarthy and Noalto. They have combined to win a total of eight races, but the contestants, with the exception of Robellino, have not been tackling high-class opposition.

Robellino is undoubtedly entitled to plenty of respect on the strength of his short *head defeat at the hands of* Kirtling at Royal Ascot and an easy subsequent success at Newbury's Donnington Castle Stakes. But the northern hope, Jamestino, is probably the one they all have to beat. Judged on his sole effort to date, this Bustino chestnut could be something out of the ordinary.

Sent to Doncaster for the seven furlong San Scio Stakes at the end of last month, Jamestino—a beautifully bred colt whose dam, the Pardao mare Miss Wrekin, has already produced Lakin—scored with the minimum of fuss.

Always poised in readiness, the odds-on favourite was not asked to go about his business until below the distance. However, his response was then immediate and, in a matter of strides, market rivals Bass and Royal Realm were shaken off.

Although his time of one minute 28.50 seconds was a modest one considering the fast *conditions, and only* a little better than that achieved by the winner of the seller on similar ground the previous day, Jamestino could do no more than win as he did.

A year ago, Final Straw's always sympathetic handler, Greville Starkey, initiated a double through Donegal Prince in the Tyne Maiden Stakes and another Newmarket challenger for this event. Dumper, should again do the trick for him.

NEWCASTLE

2.30—Dumper***
3.00—Wanchai Lass
3.30—Joyous
4.00—Jamestino**
4.40—Olympic Glory*
5.20—Thrilling

NOTTINGHAM

5.30—Indian Trial
6.00—Lindy Bay
6.25—Lautorb
6.55—Systems Analysis
7.20—Green Haze
7.50—Pledge
8.20—Directed

ENTERTAINMENT GUIDE

OPERA & BALLET

THEATRES

CINEMAS

ART GALLERIES

CLUBS

TV/Radio

BBC 1

† Indicates programmes in black and white

6.40 am Open University (Ultra high frequency only). 9.55 Noah and Nelly in Skylark. 10.00 Jackanory. 10.15 Cheggers Plays Pop. 10.35 Take Hart. 10.55 Cricket: Fifth Test: England v. West Indies. 1.30 pm Trumpton. 1.45 News. 2.00 Cricket: Fifth Test. 4.13 Regional News for England (except London). 4.15 Play School (as BBC-2 11.00 am). 4.40 Battle of the Planets. 5.00 John Craven's Newsround. 5.10 Stopwatch. 5.35 Fred Basset. 5.40 News.

5.55 Nationwide (London and South East only)
6.25 Dr. Who.
6.50 Elvis: "GI Blues."
8.30 Potter.
9.00 News.
9.25 Spirits from the Past.
10.15 Play for Today.
11.30 Weather/Regional News.

All Regions as BBC-1 except as follows:

BBC Cymru/Wales—1.30 pm Heads and Tails. 5.10 Yr Awr Fach. 5.35 Wales Today. 6.20 Gair I Gall. 6.45 Newyddion. 11.30 News and Weather for Wales.

Scotland—1.25 pm The Scottish News. 5.55 Reporting Scotland. 11.30 News and Weather for Scotland.

Northern Ireland — 4.13 pm Northern Ireland News. 5.55 Scene Around Six. 9.25 The Road Racers. 11.30 News Headlines. 11.32 Spirits from the Past. 12.22 am News and Weather for Northern Ireland.

England—5.55 pm Look East *(Norwich): Look North* (Leeds, Newcastle); Look Northwest (Manchester); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40 am Open University.
11.00 Play School.
1.35 and 3.55 pm Cricket: Fifth Test: England v. West Indies.
6.05 *Open University.*
6.55 Mid-Evening News including sub-titles.
7.05 Dallas.
8.35 My Music.
9.00 The Six Wives of Henry VIII.
10.30 William Cowper Lived Here: P. J. Kavanagh at Olney.
10.45 Newsnight.
11.30 Cricket: Fifth Test, highlights.

LONDON

9.30 am Afloat. 10.00 A Big Country. 10.25 World Famous Fairy Tales. 10.40 Young Ramsay. 11.30 Bailey's Bird. 11.55 Mr. Magoo. 12.00 Paperplay. 12.10 pm Pipkins. 12.30 *The Sullivans.* 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Crown Court. 2.00 After Noon Plus. 2.45 General Hospital. 3.45 Tell Me Another. 4.15 Under the Same Sun. 4.45 The Square Leopard. 5.15 A Sharp Intake of Breath.

5.45 News.
6.00 Thames News.
6.40 Crossroads.
7.05 "The Man Without a Country" starring Cliff Robertson and Beau Bridges.
8.30 Robin's Nest.
9.00 ITV Playhouse.
10.00 News.
10.30 Girl Talk.
11.00 Border Country
12.15 am Close: Personal choice with Charles Eaton.

All IBA Regions as London except at the following times:—

ANGLIA

10.00 a.m. Tuesday morning film: "A Tale of Two Cities" starring Dirk Bogarde, Dorothy Tutin and Cecil Parker. 11.55 Cartoon Time. 12.30 a.m. Against the Wind. 1.20 Anglia News. 2.00 Houseparty. 2.25 Chopper Squad. 3.20 Doctor Down Under. 5.15 Happy Days. 6.00 About Anglia. 7.00 Tuesday Feature Film: "All For Mary," starring Nigel Patrick and David Tomlinson. 12.15 am The George Hamilton IV Show. 12.45 East Anglian Pilgrimage.

ATV

10.00 a.m. The Story of Wine. 10.25 The Underground Movie. 10.40 The Space Movie. 12.30 pm Against the Wind. *1.20 ATV Newsdesk.* 4.14 Fudget's Budget. 4.20 Under The Same Sun. 5.15 Struck By Lightning. 6.00 ATV Today 7.00 The Tuesday Movie: "Nearest and Dearest," starring Hylda Baker and Jimmy Jewel. 12.15 a.m. ATV Newsdesk.

BORDER

10.00 a.m. Treasures In Store. 10.25 Redgauntlet. 10.50 Portrait of the Artist. 11.05 Tarzan. 11.55 Cartoon Time. 1.20 p.m. Border News. 5.15 The Lost Islands. 6.00 Lookaround Tuesday. 7.00 Cartoon. 7.05 Tuesday Cinema: "Birds of Prey." 12.15 a.m. Border News Summary.

CHANNEL

12.30 pm Against the Wind. 1.20 Channel lunchtime news, What's on Where and Weather. 5.15 Doctor Down Under. 6.00 Channel News. 6.10 Look Who's Talking (Roger Whittaker). 7.00 The Gibsons of Scilly. 7.30 Curtain Raiser. 7.40 TV Movie. 10.28 Channel *Late News. 12.15 am George Hamilton* IV. 12.40 Commentaires et Previsions Meteorologiques.

GRAMPIAN

9.25 am First Thing. 10.00 Treasures in Store. 10.25 Redgauntlet. 10.50 Portrait of an Artist. 11.05 Tarzan. 12.30 pm Against the Wind. 1.20 North News. *5.15 Alright Now. 6.00 North* News, Farming News and Area weather forecast. 6.15 Fangface. 7.00 The Tuesday Comedy: "Nearest and Dearest," starring Hylda Baker and Jimmy Jewel. 12.15 am Reflections. 12.20 North Headlines.

GRANADA

10.00 am Knossos—Lost Capital of Atlantis. 10.55 Cartoon. 11.00 Sesame Street. 12.30 pm Against the Wind. 1.20 Granada Reports. 4.15 The Undersea Adventures of Captain Nemo. 5.15 Happy Days. 6.00 Granada Reports, News. 6.05 Time Off. 6.25 This is Your Right. 6.35 Take my Wife. 7.05 The Tuesday Premiere—"The Girl Who Came Gift-Wrapped." 12.15 am Jazz Concert.

HTV

†10.00 am Tuesday Morning Movie: "The Magic Bow," starring Stewart Granger and Phyllis Calvert. 12.30 pm Against the Wind. 1.20 Report West Headlines. 5.15 Tell Me a Bad Time Story. 5.20 Crossroads. 6.00 Report West. 6.30 The Tuesday Movie: "Walk, Don't Run," starring Cary Grant. 10.28 HTV News.

HTV Cymru/Wales—As HTV West/HTV General Service except: 12.00-12.10 pm Ffalabalam. 1.20 Penawdau Newyddion y Dydd. 1.25-1.30 Report Wales Headlines. 4.15-4.45 Sbardun. 6.00 Y Dydd. 6.15-6.30 Report Wales. 10.30 Border Country. 11.45-12.15 am Police Surgeon.

SCOTTISH

10.00 am Treasures in Store. 10.25 The Lost Islands. 10.50 Portrait of the Artist. 11.05 Young Ramsay. 11.55 The Bubblies. 12.30 pm Against the Wind 1.20 News and Road and Weather. 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today, News and *High Summer Extra. 6.30 The Steve* Jones Programme. 7.00 Survival. 7.30 240 Robert 12.15 am Late Call.

SOUTHERN

9.30 am Human Face of China. 10.00 "Cyborg 2087," starring Michael Rennie. 11.30 Lost Islands. 12.30 pm Against the Wind. 1.20 Southern News. 2.00 Houseparty. 2.25 "Blithe Spirit," starring Rex Harrison. 5.15 The Undersea Adventures of Captain Nemo. 5.20 Crossroads. 6.00 Day by Day. 7.00 "The Old Man Who Cried Wolf," starring Edward G Robinson.

TYNE TEES

9.20 am The Good *Word followed by* North East News. 10.00 George Hamil*ton IV. †10.20 Morning Movie*—"Above Us the Waves" starring John Mills and John Gregson. 1.20 pm North East News and Lookaround. 5.15 The Electric Theatre Show. 6.00 North East News. 6.02 Crossroads. 6.25 Northern Life. 7.00 Happy Days. 7.30 *Charlie's Angels. 10.30 North East* News. 12.15 am Lessons on the Fells.

ULSTER

10.00 am Treasures in Store. 10.25 Redgauntlet. 10.50 Portrait of the Artist. 11.05 Chopper Squad. 1.20 pm Lunchtime. 4.13 Ulster News Headlines. 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Ulster Television News. 6.15 The White Line. 6.30 Bygones. 7.00 Tuesday Movie: "Quest for Love," starring Joan Collins and Tom Bell. 10.29 Ulster Weather. 12.15 am Bedtime.

WESTWARD

10.00 am Survival. 10.25 Red Gauntlet. 10.50 Sesame Street. 11.50 *Cartoon Time.* 12.30 pm Against the Wind. 1.20 Westward News Headlines. 4.12 Gus Honeybun's Birthdays. 5.15 Doctor Down Under. 6.00 Westward Diary. 7.00 The Gibsons of Scilly. 7.30 Curtain Raiser. 7.40 TV Movie. 10.31 Westward Late News 12.15 am George Hamilton IV. 12.40 Faith for Life. 12.45 West Country Weather and Shipping Forecast.

YORKSHIRE

10.00 am Young Fishermen of Bay Bulls. 10.25 Comic Stories. 10.30 Cartoon Time. 10.40 "Tons of Trouble" starring Richard (Mr. Pastry) Hearne. 11.55 The Bubblies. 12.30 pm The Mary Tyler Moore Show. 1.20 Calendar News. 3.45 Calendar Tuesday. 5.15 University Challenge. 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Cartoon Time. 7.05 "The Red Badge of Courage." 12.15 am Run From the Morning.

RADIO 1

(s) Stereophonic broadcast

5.00 am As Radio 2. 7.00 Mike Read. 9.00 Simon Bates. 11.00 Peter Powell with the Radio 1 Roadshow. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.00 Andy Peebles. 4.31 Richard Skinner. 7.00 Personal Call. 8.00 Adrian Jay. 6.50 Newsbeat. 10.00 John Peel (s). 12.00-5.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.03 Ray Moore (s). 7.32 Terry Wogan (s). 10.03 *Jimmy Young (s).* 12.03 pm David Hamilton (s). 2.03 Ed Stewart's Request Show (s). 4.03 Much More Music (s). 6.03 John Dunn (s). 8.02 Hooray for Hollywood. 9.02 Glamorous Nights (s). 9.55 Sports Desk. 10.02 Windsor Davies presents . . . The Multi-National Eisteddfod Show. 10.30 Those Magical *Movie Musicals:* "Half a Sixpence" starring Tommy Steele. 11.05 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 am You And The Night And The Music (s).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 *Overture (s). 8.00 News. 8.05 Morning* Concert (s). 9.00 News. 9.05 This Week's Composer: Verdi (s). 10.00 Scottish National Orchestra (s). 10.55 Cricket—Fifth Test: England v. West Indies, including 1.05 pm Six Continents (also on vhf). 1.25 News. 1.30 Lunchtime scoreboard. 6.30 Strauss. *7.00 Proms from* the Royal Albert Hall: "Die Zauberflote:" opera by Mozart, Act 1 (s). 8.10 Gardens. 8.30 Proms: Die Zauberflote, Act 2 (s). 10.05 Music In Our Time (s). 11.00 News. 11.05-11.15 Vivaldi (s).

VHF—with Medium Wave except as follows:—

6.00-7.00 am Open University. 10.55 Upottery Festival 1980, chamber music recital, part 1 (s). 11.45 Interval Reading. 11.50 Upottery Festival, part 2 (s). 12.20 pm Music from France, part 1 (s). 1.00 News. 1.05 Six Continents (also on †). 1.25 Music from France, part 2. 2.20 English Choral Music, Concert, part 1 (s). 2.45 Interval Reading. 2.55 Concert, part 2. 3.40 Images of Debussy (s). 4.25 Jazz Today (s). 4.55 News. 5.00 Mainly For Pleasure (s). 6.20 Open University.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today, including 6.45 Prayer for the Day, 7.00, 8.00 Today's News, 7.30, 8.30 News Headlines, 7.45 Thought for the Day. 8.45 Blasting and Bombardiering (2). 9.00 News. 9.05 Tuesday Call. 10.00 News. 10.02 Medicine Now. 10.30 Daily Service (S) 10.45 Story Time. 11.00 News. 11.05 Thirty-Minute Theatre. 11.35 Wildlife. 12.00 News. *12.02 pm You and Yours.* 12.20 Down Your Way visits Oban, Argyllshire. 12.55 Weather: programme news. 1.00 The World At One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Women's Hour. 3.00 News. 3.02 Listen with Mother. 3.15 A Dance to the Music of Time (s) 4.10 The Improbable Life of Arthur Ransome 4.40 Announcements 4.45 Short Story 5.00 PM. News magazine. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.30 Detective. 7.00 News. 7.05 The Archers. 7.20 What Weather? (a look into weather forecasting). 8.05 On the Train to New Zealand. 8.20 Odyssey 9.05 Can We Make Jobs? 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Origins. 11.00 A Book At Bedtime. 11.15 The Financial World Tonight. 11.30 Solomon plays Chopin and Mozart. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush *Hour.* 10.03 The Tony Blackburn Telephone Programme. 1.03 pm London Live. 4.30 London News Desk. 5.35 Music on the Move. 7.03 Black Londoners. 8.00-5.00 am Join Radio 2.

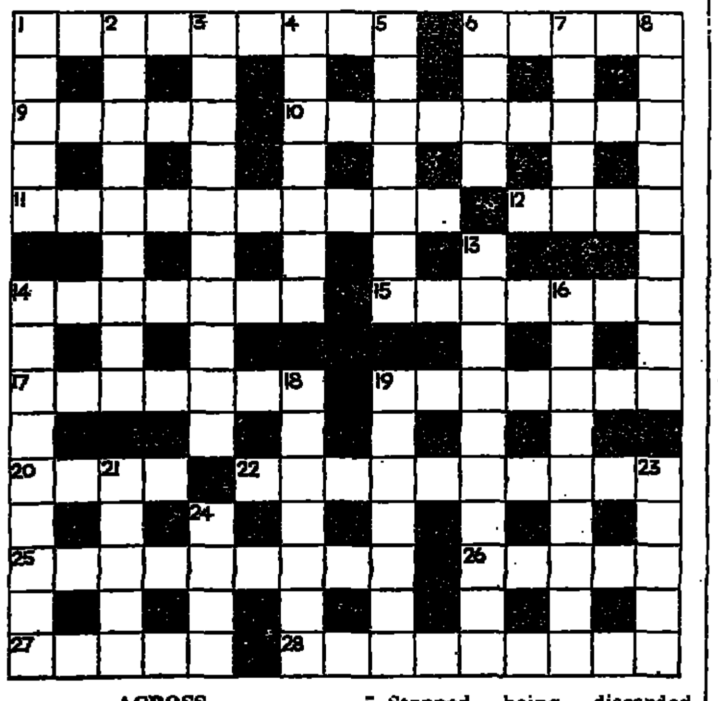
London Broadcasting

6.00 am AM—Douglas Moffitt and *Alan King.* 10.00 Brian Hayes—presented by Vivian White. 12.00 LBC Reports. 8.00 pm After Eight. 9.00 Mike Dickin—Nightline. 12.00 LBC Reports Midnight. 1.00 am Night Extra—Tara Jefferies. 4.00 After Eight Specila. 5.00 Morning Music.

Capital Radio

6.00 Mike Smith's Breakfast Show (S). 9.00 Michael Aspel (S). 12.00 Graham Dene (S). 1.00 pm London Today (S). 1.10 Graham Dene (continued). 3.00 John Sachs (S). 7.00 London Tonight with Sarah Ward (S). 9.00 Nicky Horne (S). 11.00 Tony Myatt's Late Show (S). 2.00 am Duncan Johnson's Night Flight (S).

F.T. CROSSWORD PUZZLE No. 4,346



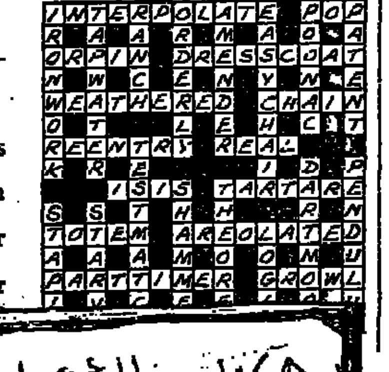
ACROSS

1 Music to make a poor sailor sick (4, 1, 4)
6 Take away a large number in the States (5)
9 Long hair on West-end painter (5)
10 Blow computer gives venomous creature (4-5)
11 Silence request to inform against close down (4, 2, 4)
12 Bit of film papers find gripping (4)
14 Inventor making a fuss (7)
15 Whether returned article on church key is intended (7)
17 Policeman promises to pay in large amounts (7)
19 Flour and water dearer so stick to wall (5, 2)
20 Won't run through capable of moving quickly (4)
22 In which passing the buck is the done thing (6, 4)
25 Rus in urbe (5, 4)
26 Made stupid daughter work with head on paper (5)
27 Tax little bird-man (5)
28 Coming before legal authority (9)

DOWN

1 Right round politician's frolics (5)
2 Call to mind way to perform tricks in the saddle (7, 2)
3 Unfair as things are—later perhaps (3, 4, 3)
4 He's against love letter being sent to quiet artist's model (7)
5 Stopped being discarded (4, 3)
6 Chap ought to enter complaint (4)
7 No boy is upset by knotty (5)
8 Dump to fight a lot (5, 4)
13 Playfully fingered string in pet's resting place (4, 6)
14 In the main it's a contest (4, 5)
16 Fruit mixed-up type considers a bloomer (6, 3)
18 Raised voice maybe to give us pep—OK? (5, 2)
19 Useful gift for artist—from girl friend? (7)
21 Stretch part of rigging (5)
23 Review of books concerning gold died with it (5)
24 Single third-class entry in the past (4)

Solution to Puzzle No. 4,345



هكذا من الأجل

Whitechapel Open Exhibition

by WILLIAM PACKER

In the quietest time of the year, the Whitechapel Gallery, as has become its habit, presents one of the liveliest portions of its programme. The Whitechapel Open Exhibition comes always at this time of year an unassuming complement, some might say corrective, or even relief, to the Arts Council's Annual at the Hayward (to which, of course, we all look forward to seeing in a week or two); and always it is a model of what an Open Exhibition should be, never over-reaching itself, tuning the mechanism of selection year by year as experience or opportunity suggest, and serving its constituency to great effect.

Vacant industrial premises make excellent studios, a fact not entirely lost on artists, and the nearer East End is now quite as much an artists' quarter as Hampstead or Chelsea ever were. All artists living or working in the City and the East End are eligible for the Whitechapel Show, which naturally makes for a strong submission: but, to their credit, the organisers attempt no distinction between amateur and professional, with the happy result that the community flavour is preserved in the final selection, the soi-disant professionals themselves seen properly as part of society at large.

This year 800 artists of all kinds put in, and the strong feelings of a single judge were put above any requirement for a majority verdict in distinguishing their work. Something over 120 artists were successful, with something under a tenth of the work submitted overall. And though there are many familiar and well-established names among them, their work in many instances as admirable in itself as ever, this year, to an extent not known before, the interest and positive enjoyment in the show is supplied by their obscurer colleagues, some of whom may have enjoyed a certain amount of attention in the past, others none at all.

Conspicuous amongst the sculptors, for example, are Robert Russell, whose star is just beginning to shine, John Ashworth (his large construction invites just the practical investigation that he so expressly forbids) and Kitta Potgeiter. And I particularly liked drawings by Peter Bunting and Susan Corcoran, Clive Hodgson's Harlequin and Colombine (all three of them artists new to me), Emma Park's small and beautifully judged relief, and Victor Willing's typically strange painting of a befeathered trestle, or whatever it is.

The exhibition is also open to craftsmen, but they are given only token representation, and I suspect the submission was small and weak. In any case, crafts seem not to sit too happily with the fine arts at the moment, for all sorts of understandable reasons, so perhaps it would be best to leave them out for a while, or give them a separate opportunity. When craftsmen come to see themselves unselfconsciously as artists, the problem will resolve itself.

But, though it fills the two major spaces, the Open is only part of what is currently on offer. In the foyer, the coffee-bar and lining the stairs are the 19 prize-winning entries for the competition, set up jointly by London Transport and the Arts Council, to propose decorations for the escalator shafts at Holborn Station.

'Feathers' by Victor Willing (1978)

Goodness knows the stations throughout the system are shabby enough to be an insult to any visitor with eyes in his head, to the Executive's lasting shame for not caring, and ours for not noticing. Those indeed were the Good Old Days, and as improbable from our distant vantage point, when London Transport was a paragon of good design and enlightened patronage. The old conscience seems to stir however from time to time, but we should take care our grateful applause at this particular exercise is not premature. That it should have taken place at all, let alone got so far, is encouraging, and the fact that five artists were given £1,000 apiece to prepare substantial schemes is earnest of a certain seriousness. But the scheme has yet to be implemented, and a sceptical reserve on our part is not unreasonable. There was a scheme well under way only a few months ago to remodel a number of stations on the Central Line, with architects engaged and artists approached: but the axe fell on that slim neck with an almost indecent abruptness. And now the scheme chosen for the Holborn shafts is not one that would require merely brushes and paint, but is rather the most ambitious and complex of them all, demanding the most intricate electronic circuitry, literally thousands of bulbs, and of course the closest and most constant attention.

Ron Haselden's winning maquette is delightful; the lights twinkle up and down their lengthy, twisted perspectives, and we can see at once how imaginative and even appropriate a scheme it is. But is it, we ask ourselves, ever going to be installed? To express these doubts is in no way to carp at what Haselden has done: and indeed the splendid thing about the competition as a whole is the enthusiasm and invention that he and his 18 fellows have manifestly brought to bear on it. Given such chances, artists will seize them: or rather they will so long as they know they are not being asked to take part in an empty charade. We must hope that the confidence here displayed by such artists as Lilian Lijn, Deanna Petheridge, Tim Head, William Pye and Graham Crowley, besides Haselden himself, was not misplaced.

Finally, the Gallery has lately acquired extra space, which is now filled by a documentary exhibition, photographs and reminiscences of The Jewish East End. By my own mistake I visited only part of it, and I intend to return: but for the moment I can only pass on some of the publicity material I have to hand. The show has been put together by the Springboard Education Trust, and takes the turn of the century as its starting point. It includes a number of slide programmes that were devised originally as therapeutic aids for elderly Jewish people in hospital, stimulating their memories of an East End that has long disappeared.

The Open and the Underground exhibitions continue until August 31, The Jewish East End until the 21st (excluding Fridays and Saturdays).

'The first consignment of bananas after the war,' from the Jewish East End exhibition

Festival to honour Sir Michael Tippett

To celebrate the 75th birthday this year of Sir Michael Tippett, the CBC Festival Toronto will launch its autumn season with a festival of five concerts to be held in the University of Toronto, on September 25 and 28, October 8, 14, and 17.

Sir Michael will be present on the opening night to conduct the CBC Chamber Orchestra in a performance of one of his Concerto for Double String Orchestra.

He will also be in attendance for the North American premiere of his new Triple Concerto to be given by the Toronto Symphony Orchestra on September 30 at Massey Hall.

Festival Hall

Summer Music begins

For his final season as artistic director of South Bank Summer Music Pinchas Zukerman has selected Bach as the featured composer. There will also be the usual medley of chamber works, chosen as much for the enjoyment they give to the performers as to the audience, and a subsidiary strand of three music-theatre pieces. But Bach is to be the dominant force, and for Sunday evening's opening concert supplied the entire programme. Mr. Zukerman conducted the English Chamber Orchestra in three Brandenburg Concertos, while in the second half of the evening Itzhak Perlman played and directed the E major violin concerto and joined Mr. Zukerman for the concerto for two violins. Philip Ledger supplied harpsichord continuo.

At present the Festival Hall sports a false proscenium arch and apron stage to accommodate the ballet companies that are using the hall during the summer close season. The ECO looked well set on that platform; the modifications may do nothing to improve the sound of the hall, but for small-scale baroque performances they bring the orchestra into a valuable greater contact with the audience, even if Mr. Zukerman does not really attempt an intimate style of Bach playing. The remaining three Brandenburg Concertos will close this year's Summer Music; the First, Sixth and Third played on Sunday were given robust, lively performances, the solo playing generously warm with the faintest suspicion of a sweet-toothed centre.

Mr. Zukerman's own penchant for playing the viola and his love of darker, richer tones inevitably made the sixth concerto the most fond, considered account; the central dialogue between the violas was most beautifully done, all temptations to indulgence firmly resisted. Only the Adagio from the first concerto seemed lethargic, as if inspiration there was harder to find; in the third the link between the movement was kept to the bare essentials of the cadence, a poor reward for Mr. Ledger, whose stylish and imaginative playing was obvious everywhere else in the concert.

It was left to Mr. Perlman to provide the most memorable moments of the evening. The contrast with Zukerman's more effusive style was neatly pointed in the double concerto, but in the solo E major concerto his leaner, effortlessly articulated approach seemed perfectly poised. The Adagio was a marvellously sustained silvery thread of sound, the bravura episodes of the finale dissolved into seamless figuration.

ANDREW CLEMENTS

Chicago

Royal Danish Ballet

New York prides itself on being the dance capital of the world, but it was by-passed by the Royal Ballet on its last two American tours, and this summer it was Chicago that could claim the distinction of being the only American city to be visited by the Royal Danish Ballet, thanks to Geraldine Freund, a local impresario who has presented for the last three years in that city a heterogeneous collection of greater and lesser luminaries under the rubric "International Dance Festival of Stars." To bring the entire Royal Danish Ballet, even including eight "ballet-children," with six full productions, to re-create at the Civic Opera House the Bournonville Festival that attracted an international audience to Copenhagen for an unforgettable week last November, was somewhat risky. Critics from all over the country assembled once again in Chicago, but there was some doubt whether local audiences would be willing to pay rather steep prices to see ballets by a man whose name is hardly a household word. The gamble seems to have paid off—the audience grew in size night by night, and the response was enthusiastic.

The reason for this success is undoubtedly that Bournonville's ballets speak directly to the spectator, who needs no esoteric knowledge to enjoy them. The story of A Folk Tale, for instance, is immediately clear, with only the barest of synopses in the programme. Even when Bournonville deals with a story that has overtones of romantic *morbidezza*, as in *La Sylphide*, the dancing itself is irresistibly ebulient and outgoing.

There were two guest artists for the Chicago engagement, both alumni of the company, Peter Martins and Peter Schaufuss, but it was very clearly the company as a whole who won the hearts of the audience. Martins danced one performance of *A Folk Tale* and one of *La Sylphide*, which I didn't see; Junker Ove, in the former, is not much of a role for him, or perhaps I should say he doesn't bring much to it—he seemed not so much melancholy, and later elf-struck, as cold and aloof. Schaufuss also danced one *Sylphide*, and one *Napoli*; his acting was passionate and his dancing almost too extrovert, but undeniably exciting.

Lis Jeppesen made a deep impression with her magical portrayals of the Sylphide and Hilda, the challenging girl in *A Folk Tale*, as she had in Copenhagen. How one would love to see her as Ashton's Titania!—but it is, unfortunately, John Neumeier's version of *A Midsummer Night's Dream* that the company plans to add to its repertory. In *Napoli*, Eva Kloborg was every bit as hot-blooded as Schaufuss. Arne Villumsen, *beau ténebreux*, is perfectly suited to the role of Junker Ove, which he danced opposite Jeppesen. Martins's partner was Mette-Ida Kirk, less fey than Jeppesen but equally touching. Fredbjorn Bjornsson's kindly troll is one of the great character performances one has seen, on a par with Ashton's Ugly Sister or Alexander Grant's Alain. Sorella Englund, once an exquisite Sylphide, is now a powerfully malevolent witch in the same ballet.

DAVID VAUGHAN

International Society for Contemporary Music in Israel

by DOMINIC GILL

The list of composers who participated in the first festival in Salzburg in 1923 of the International Society for Contemporary Music reads like a roll-call of 20th-century music itself. The Society had been founded at a meting held after the conclusion of the Salzburg Festival the previous year, under the presidency of Edward Dent, with a simple mission to "spread the knowledge everywhere of contemporary music . . . regardless of tendency" in every practicable way. The six Salzburg concerts of 1923 included performances, many of them premieres, of works by Berg (the string quartet), Schoenberg (Das Buch der hängenden Garten), Bartók (the violin sonata no. 2), Ernst Krenek, Szymanowski, Falla, Prokofiev, Kodály, Janacek, Bliss, Walton (the first string quartet), Roussel, Koechlin, Lord Berners, Poulenc, Stravinsky (the *Three pieces* and *Concertino* for string quartet), Honegger, Malipiero, Busoni (the *Fantasia contrappuntistica* for two pianos), Hindemith (the clarinet quintet) and Ravel (the sonata for violin and cello).

That first, extraordinary series of programmes, presented at a time when both recording and broadcasting were still in their infancy, and music, as well as musicians, travelled with far less ease and speed than they do today, brought together from all over Europe virtually all of the important composers of the age, and set festival standards which were maintained, more or less consistently, for 30 years. The Society's annual forum became one of the world's most influential, most widely discussed new-musical events. Between 1923 and 1955, indeed, it would be true to say that there was hardly a single composer of significance whose work had not been represented at least once at the festival of the ISCM.

What exactly have been the causes of the gradual weakening of the Society's influence and standing since the middle 1950s, and of the massive erosion of its standards, is a matter of some argument. The rise of both radio and recording since the 1920s to their present central roles in our musical life are obvious elements, which have certainly weakened the attractions of a single, definitive, annual "contemporary event": in a decade, the European Broadcasting Union has done more actually to disseminate contemporary music than the ISCM ever could in all its 60 years. But whatever the reasons, Pierre Boulez's *Marteau sans maitre*, first heard at Baden-Baden in 1954, was perhaps the last work of real note to be premiered at an ISCM festival. There have been one or two landmarks since (although the European premiere of the most memorable of these, Messiaen's *Des Canyons aux etoiles*, given during the 1975 ISCM festival in Paris, was in fact both chosen and promoted by the Festival d'automne): but the tendency has been ever more towards the bland, drab, anonymous and mediocre. Established composers have searched for, and found, better platforms elsewhere; young composers have become increasingly cynical about their chances—and even about the value itself to them—of being selected.

And yet the ISCM lingers on: beyond its prime and (many now declare) past its time—each year choosing a new city in which to present its festival of "World Music Days." The raw material for each event has always consisted of entries (restricted to a maximum number) sent in by the sections of each of the participating nations. An international committee of composers nominated by the section of the host country then makes a selection from that list; and finally, the festival committee of the host country itself, after making excisions, additions and adjustments, produces the definitive programme. The process of selection is thus one of filtration through three different stages of committee — and according to the workings of various criteria, often either suspect or unfathomable, or both, sometimes merely practical, but rarely purely musical, at each stage losing colour, interest and variety.

Confusion

After debacles in Iceland and Holland in 1973 and 1974, it was decided for the first time to allow unrestricted entry from any quarter—from individual composers, publishers and cultural organisations, as well as from the national sections. But this new scheme, laudable in theory, in practice only tripled the difficulty and compounded the confusion. Selection juries were paralysed by the sheer quantity of paper and tape: in Paris, in 1975, a jury of six composers from six different countries sat down together for three days to reduce 600 scores and more than 200 tapes to a maximum of 39—which, assuming a full eight-hour day, and a few seconds' pause between items, allowed them little more than a minute to consider each score.

Nor would it seem that the major errors are necessarily committed in the later stages of the process. To follow only one of the many national threads: the Reading Panel appointed by the British Section of the ISCM this year chose six works for consideration by the International Jury—Oliver Knussen's symphony no. 3, *Le Printemps maladif* by David Owen, a *Canzona* by Robert Saxton, *Pentecost* by Giles Swayne, *Surrexit Christus* by Philip Wilby, and an electro-acoustic tape-piece by Denis Smalley called *The Pulses of Time*. Decent pieces as these all may be, it is idifficult by any stretch of the imagination to accept that they represent the best of British music composed during the last few years. And if that was not our Jury's principal criterion, what can the criterion have been?

The imbalance already implicit in that curious choice became thoroughly explicit at this year's "World Music Days" in Israel, when just one of the six submitted British works was selected for inclusion in the final programme. Denis Smalley's *The Pulses of Time* is a good and imaginative tape-piece: but it hardly stands sufficient (nor would ever claim to stand) as our single national offering. Nor indeed did the five short pieces offered by the French Section and chosen for performance in Israel, all of them exceptionally feeble, conjure the faintest echo of the best and most interesting work coming these days out of France. Small wonder that the search for alternative derivations of the acronym—Incomprehensible Selection of Curdled Musak, and Inenviable Scuffle of Cringing Musicologists are both pecularly apt—has become such a feature of after-dinner ISCM conversation.

For reasons chiefly other than musical, nonetheless, it was the most enjoyable ISCM festival that I have attended—and without doubt the most efficiently organised. It had been a fine idea, but one which greatly increased the organisational risks, not to give all of the concerts in a single place, but spread the venues around the country. The week began in Jerusalem (five events shared between the YMCA Hall, the Van Leer Foundation, the Wise Auditorium, and the spacious Jerusalem Theatre), moved thence for a day to Tel Aviv, and for another day south into the Negev Desert to Beer-Sheva. The last two days of the programme were spent by the sea at Kibbutz Shefayim, a large agricultural and industrial kibbutz north of Tel Aviv that boasts not only a sizeable concert hall, but also a resident chamber orchestra. To anyone accustomed to the common round of festivals the smooth running of these "World Music Days" was remarkable: pianos and music-stands appeared in their appointed places, and concerts began at the appointed hour; meals appeared when they should, rooms were correctly booked, programmes and information-sheets were readily available. Most remarkable of all, *buses ran on time*.

Drizzle

But not even efficient administration, and congenial surroundings, could entirely compensate for the dismal round, day after day, of what seems after prolonged exposure to become almost a genre to itself—ISCM Music. There is no point in describing the round in detail. Critical faculties, ground down to the nerve-ends by such a drizzle of grey carborundum dust, seized gratefully on the merest flecks of original colour: and even they were rare. A brief study in jazzy ostinati for solo piano, *Strides* by the Dutch composer Theo Loevendie, had a kind of secureness and inner conviction that set it apart from the rest of the opening programme in Jerusalem: nine minutes, no more. *Programme Music 1980* for orchestra by the Israeli Tzvi Avni, still unfinished, made some intriguing forays into the neo-Romantic idiom without cloying or kitsch. Unfortunately a gastric eruption of around Force 10 on the Richter Scale, known with onomatopoeic exactitude in the Middle East as *shil-shul*, laid me low for one evening and prevented me from hearing what was set, on paper at least, to be the week's best concert, given by the Schola Cantorum of Stuttgart (the main work of their programme, Maurizio Kagel's *Chorbuch*, I have reviewed already on this page).

Even a few works so shockingly bad as to have roused our indignation would, at a certain point, have seemed welcome: most dispiriting of all was the very greyness of the list, its cumulative anonymity. The Booby Prize, and the Wooden Medal, however, should be awarded not to any composition, but personally—to the conductor Noam Sheriff, for his facetious and hostile commentary, during the course of a concert, on the works he was directing: an extraordinary display, unprecedented in my experience, unprofessional to a degree and wholly deplorable.

Two high points. At the auditorium of the Van Leer Foundation in Jerusalem, not strictly an ISCM programme at all, but a concert of ethnic music from the Islamic, Jewish and Christian traditions: an exhilarating kaleidoscope — a group of grave Samaritans from Nablus, intoning different verses of the Pentateuch simultaneously to different melodies; a Jewish ensemble from Kurdistan, dancing to the *dola* drum and the double-reed *zola* (the performance on this last instrument a tour de force of continuous circular breathing to put even Heinz Holliger to shame); a sequence of sacred and secular music of Islam, with *u'd*, *nay* and *darbukka*; and a whirling dance, first of men, then women, from the Jews of Yemen. Here was life, and colour, and quick invention in plenty: happy contrast, depressing in its implication.

Welcome

The second, at Beer-Sheva, in the evening's dry desert heat, was as welcome as it was unexpected. The Brazilian Jorge Antunes (b. 1942) was one of three foreign composers to have been invited to work in Israel for three months as part of a special Music Project, and the three compositions produced *as a result were included in the* ISCM programme at the behest of the Israeli Section. Antunes's *Violet Elegy for Monseigneur Romero* had thus avoided passing through the three committee stages of selection; and that was lucky for it was far too good a work ever to have been approved. It is a broad and passionate cantata, 22 minutes long, for chamber orchestra with piano and children's choir, dedicated to the memory of Oscar Romero, the Archbishop of San Salvador who was assassinated earlier this year. The writing is honest, open and direct — of no great subtlety, but winning in its immediacy and warmth, and for its heartfelt clarity. The local orchestra of Beer-Sheva, the Israel Sinfonietta, gave the score with fine conviction, every nerve and sinew bared; and the choir, a group of children from the nearby Kibbutz Hatzerim, coming to such music for the very first time, sang with marvellous confidence and ease. The standing ovation that *Violet Elegy* received was, deservedly, the only ovation of the week.

And what of cures, answers, solutions? Whether the fault lies with the notoriously conservative, self-interested national Sections, with the selection panels, or (most depressing, but least convincing, conclusion) with the composers themselves, the ISCM clearly cannot continue on its present path. The need for the Society, certainly—in an age of disc and tape, of radio stations, festivals and benevolent institutions—is nowhere near as urgent as it used to be. But can it be true that the most extreme solution, and the one at present most commonly suggested, that of disbanding the ISCM altogether, is necessarily the best?

There will always exist in the world a fund of new, young music ignored at national level—music which slips, for one reason or another, through the net. The framework is there: a properly reconstituted ISCM could perform a real and vital function, both national and international, still. The elimination of the national Sections' monopoly in 1975 was perhaps a step in the right direction: why not, after all, a panel of professional readers, made up not only of composers but also performers and academics, elected annually by congress, which could at regular meetings examine works submitted to it throughout the year from any source—not a provincially-minded forum dominated by cliques, *sanstalents* and also-rans, but a truly international body whose sole criteria should be excellence and neglect?

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Not as bad as forecast

CONVENTIONAL forecasts of the recession in the industrialised free world have until now been cast in terms of a major setback in the U.S. economy spreading to the generally more robust economies of Europe and Japan. In recent days, however, there have been some signs that the U.S. recession may be bottoming out, after a traumatic few months, almost before the ink is dry on the forecasts. While it is much too early to announce a reliable reversal of trend, it is certainly worth re-examining the outlook for output, interest rates and currencies.

While the evidence for a turn in the U.S. economy remains patchy—a modest upturn in housing starts, a very weak recovery in car demand, and rather stronger reactions in the financial markets and the leading indicators which largely reflect them—there is reason to give it due weight.

Credit demand

First, the peak in interest rates proved extremely brief, and the cost of credit is once again roughly in line with the expected rate of inflation. Some recovery in credit demand is an expected consequence. Secondly, the balance of payments has turned round. Partly as a result of a sharp fall in oil imports, the current account is now thought to be in modest surplus; the turnround contributes significantly to U.S. activity. Thirdly, there has been *a large and largely unintended* fiscal stimulus, a reflection not only of the normal cyclical fall in revenue and rise in expenditures, but of a rapid rise in defence outlays.

Indeed, the recent stance of both fiscal and monetary policy is widely felt to have been too lax, and in a normal year one might now look confidently for a tightening. The Fed has *already announced a reduction* in the target rates of growth of the monetary aggregates when the time comes for rolling them forward, and the Senate Banking Committee is urging the *authorities* to adopt a narrower target range at the same time. Mr. Miller, the Treasury Secretary, continues to oppose any early tax cut, with strong support from the Fed.

Money market rates are beginning to rise again in anticipation of the need for official tightening, and present fiscal plans envisage a significant squeeze in the next financial year, beginning in October. While the Federal deficit this year is now put at nearly $62bn—well over double the Budget target—the deficit next year is now expected to fall below $40bn, after heavy revisions to allow for defence spending and the recession.

If this programme were carried through, it should be enough to ensure that any recovery is slow and relatively reliable. The question is whether such a measured approach is feasible in an election year. The answer is probably that much depends on the trend of activity in the next few weeks. *If a modest recovery is* sustained, the Administration will probably be able to argue that after a sharp correction of course, its policies are visibly back on the right track, and that *in due course the remarkable growth achieved in the first* three years of the Carter Administration will be resumed. A combination of visible success with financial conservatism would be the most effective blend to set against Mr. Reagan's rather wishful programme.

Trump ace

However, the *Democrats* in Congress are badly rattled men, and it would not take much to provoke them into attemps to enforce a rash change of course, probably by trying to *trump Mr. Reagan's tax-cutting* ace. Much may hinge on such non-political developments as the success or failure of Detroit's 1981 model range, which will be offered to consumers *shortly, the size of*, the harvest and developments in the currency markets, where the dollar is convalescent rather than restored to health. The inflation auguries, with recent *hardening of food prices and* some wage acceleration, are not encouraging, and dollar holders may prove to be just as nervous as Congressmen fighting for office.

For the time being, however, policy remains cautious, and recent trends, apart from rumours of accelerated monetary growth, relatively encouraging. Things may yet turn out to be not so bad for Mr. Carter, or for America's trading partners, as they have seemed.

German unions play safe

FEW MYTHS are more firmly established than that of the invariably docile West German trade unions. So when a union does come out on strike, or when unofficial stoppages occur, there is no lack of prophets who foresee the end of industrial peace and even of West German economic strength.

It was thus when the Ruhr steel workers were on strike for about six weeks at the turn of 1978/79. The question arose again this summer when the Mannesmann engineering and steel concern put forward proposals for restructuring its organisation. As a side effect Mannesmann would no longer have been subject to the far reaching law for workers' participation in the boards of coal and steel producers.

Parity

That law, going back to the early days of the Federal Republic gives workers' representatives parity with those of the shareholders in the supervisory board where long term policy, including investment programmes, is decided, and which *hires and fires the executive* board. A co-opted member, on whom both sides must agree, holds the balance of power. Under the restructuring proposals, put forward by the Executive Chairman, Herr Egon Overbeck, Mannesmann would have become subject to legislation passed in 1976 for industries other than coal and steel. It, too, gives the workers' representatives parity, but the casting vote in case of disputes lies with the chairman, who comes from the shareholders' side.

There is little evidence that shop floor cares much for either of these forms of participation: but the union hierarchies care all the more. The cynic will shrug it off as a case of "jobs for the boys," and the cynic will be wrong. The very fact that the union involved in the Mannesmann affair, I. G. Metall, was prepared to put forward alternative proposals for rationalisation and is prepared to discuss a run down of the labour force shows that it can understand the entrepreneurial problems of what is a hard-pressed industry.

But it was not ready to give ground on the issue of participation: the talk with Herr Overbeck appear to have broken down yesterday, even though he did make proposals which would have given everyone time to think again after the general election on October 5. In the meantime Herr Helmut Schmidt, the Chancellor, has offered to mediate.

The last thing he wants at this moment is a full scale confrontation on this issue: his coalition partner, the Free Democratic Party, unlike his own Social Democrats, opposes the union case. Moreover a full scale union-management row would weaken Herr Schmidt's hold upon the centre in German politics—a hold which, so far, has made him look a better bet for October 5 than Herr Franz-Josef Strauss, whom the Christian Democrats and Christian Social Union have put forward as their candidate for Chancellor.

For the same reasons Herr Schmidt is unlikely to support those Social Democrats who want to recall the House before the election to pass a law protecting participation at Mannesmann in its present form. Few things would please Herr Strauss more than an open row between the coalition partners.

Union leaderships are aware of that too. And though they are technically neutral as regards party politics, their personal links with the Social Democrats are close. That is a partial, but only a partial explanation, of the moderation which they have shown in the increasingly difficult West German economic climate.

Last year, for instance, pressure came from the shop floor for extra rises on top of agreed wage bargains, to make up for the rising price of petrol. Union leaders said "no," in the interests of overall economic policy as much as from respect for a law which makes collective bargaining agreements enforceable at law.

Rules

They may no longer be publishing guidelines, but if one discovers that the cost of living rose by 6 per cent in the 12 months to May 1980 and that minimum wages agreed in collective bargaining went up by 6.8 per cent one must conclude that guidelines do not always have to be published. The fact of the matter is that, although pressures are growing here and there, the West German unions are still playing by the rules of the system.

Labour immobility: the sad lesson of Shotton

By CHRISTIAN TYLER, Labour Editor

A GAME of snooker costs only 10p at Shotton Working men's club, which makes it a cheap way of spending an afternoon if you have £10,000 in the bank and plenty of time on your hands. Unfortunately, snooker players—even very skilled ones—are not much in demand at the moment in Shotton, nor in the rest of North Wales. So the players are not really concentrating on the game. They are talking about work.

The reason they talk about work is that there isn't any. True, the Government Jobcentre in the main street is advertising about 100 posts. But most of those are for part-time canteen helpers, barmaids or shop assistants. Such jobs are not very attractive to the men at the club who, until they became victims of one of the biggest single plant closures in Britain's post-war industrial history, were earning £100 a week or more as steelworkers.

Hugh Routledge

Shotton's Jobcentre (left): it has few opportunities for these steelworkers, many now unemployed, who spend their time at Shotton Working Men's Club

Six thousand men were made redundant from the British Steel Corporation works at Shotton between mid-January and May, of whom 900 have found other jobs and 4,300 are registered as unemployed. Over the same period in Great Britain as a whole, the Department of Employment was notified of 400,000 redundancies — which is more people than serve in the British Armed Forces.

"£11,000? It's not all that much when you look at it"

If these redundancies were spread evenly across the country and occurred in regular batches, the labour market might be able to absorb them: after all, between 7m and 9m people change their employer every year out of a total labour force of 24m. But the system cannot cope with the kind of shake-out now occurring.

Shotton is a good, if extreme, example of how the system cannot cope. To be more precise it is a good example of the difficulty of matching people to jobs, even assuming that the jobs exist or will exist somewhere in the country.

The first problem is the suddenness and size of a closure like this. For many years there had been a question mark over *the future of the Shotton works*, which prompted the unions to form an action committee pledged to fight for retention of iron and steel making. For a long time the men stood and *fought. Then, the collective* realisation dawned almost over night that it was hopeless. The steel workers calculated it was better to be paid off and try their luck outside however poor the prospects in the immediate area, than to struggle on against the odds.

Since British Steel was offering £6,000 to over £10,000 to each man (part of it to secure closure two years ahead of schedule) the incentive was *considerable. Not many manual workers can have seen so much* money in one place at one time — although their perspective is different now. As the wife of one worker said of her *husband's £11,000 pay-off*: "It is not all that much when you look at it."

Perhaps, too, the prospect of collective unemployment seemed less humiliating than individual unemployment. Now, after six months, that feeling is wearing off. The real scarcity of even remotely suitable work cannot have been appreciated by men with 20 or 30 years' unbroken service behind them.

Much longer notice of closure might have helped. An industrial sociologist from London University recalls that when the Darlington railway workshops closed in the mid-1960s, British Rail gave about 18 months' warning, which enabled it to devise special help for the least employable, and gave the unions and the local authorities time to press for new investment in the area.

A more gradual rundown might also have helped. But this raises the objection that the first workers to leave will snap up the jobs to the disadvantage of the rest. (As it is, recently redundant workers like those at Shotton tend to make life harder for those already on the dole: it is well-known that employers prefer a man only recently out of work to one who has been on the dole for a long time).

Once Shotton's redundancy deal was signed, kiosks sprouted round the plant dispensing advice. The Manpower Services Commission (MSC) talked about jobs and training, BSC's job-finding subsidiary was brought into action; and the banks and building societies offered to look after the workers' redundancy cheques.

What happened to all that money? There are stories of young workers squandering the lot. One is rumoured to have spent £9,000 in 18 days, another, *more modestly, £6,000 in four* months. But the majority appear to have been extremely prudent, a characteristic discovered by academic research into redundancy.

Some Shotton workers paid off their mortgages (housing is cheap on Deeside and many steelworkers are property owners), others bought their council houses for around *£5,000, or cleared back rent.*

The travel agent opposite the Jobcentre did very well for a while. One blastfurnaceman took his family on holiday and will take them again later this year to Great Yarmouth. Most of his £11,000 severance has gone into a bank deposit account and the building society. A skilled man in steel industry terms, he counts only as a general labourer in the outside world. He has taken up painting and decorating, which brings in little more than the dole money.

A 36-year-old who worked on the slab mill earning £109 and taking home £60 a week now draws £41 on the dole, while his wife gets £12 a week in family allowances.

He says he will not take a £40 a week job just to qualify for the make-up pay for 26 weeks, and then have to start looking all over again. He wants a job that pays £100 a week, but is increasingly uncertain about finding one.

This man's severance was nearly £11,000, of which £585 was pension money which he put into trust for his three children ("There will be no jobs for them, will here?"). About £1,000 went in clearing the rent — £11 weekly for a three-bedroomed council house. The rest is in a bank deposit account and building society and is drawn out in small amounts as needed.

The ex-BSC workers are lucky to have such financial cushions to tide them over while they look for work. Income maintenance is often seen as a better system than lump sum pay-offs, but is clearly less popular with *the men themselves.* Yet the whole system of redundancy payments is being questioned. Some *MSC officials* argue that companies should be made to bear the whole cost of redundancy, in order to encourage retraining and discourage labour hoarding. And while older men need more money since they are less likely to find work, the way the payments are scaled tends to mean that they, the least employable, are the most tempted out of work when it is the younger and more mobile who should be coming forward.

The Prime Minister herself has been talking about mobility recently. When she told the Commons that Welsh workers should move if they couldn't find work at home, Labour MPs were enraged and shouted: "Where? Where?" Certainly the Shotton workers, including the theoretically most mobile, are not disposed to move even if they knew where to go. It is startling to learn that of the 6,000 made redundant, only six applied for the Government's mobility subsidy (though more may have left town unaided). Community feeling is strong, and the obstacles to uprooting *very considerable* if you are a manual worker. Six men went to Holland, and six to West Germany, but they went to work in the steel industry. The MSC is about to improve its employment transfer scheme, but doubts whether it will have anything but the most marginal impact.

It is the employed who are mobile, not the unemployed. A *steelworker in North Wales* is not going to be able to sell his house very easily. If he is a council tenant, he will have great difficulty finding a council house in another area. Even *in Ebbw Vale, where the steel*works was shut long ago, there is no sign of migration. The former steelworkers are waiting for the jobs to come to them.

Nor is it particularly logical to *increase the financial incentive* for people to move while pouring money into industrial *regeneration programmes.* If the young and mobile do go, they leave behind the old and immobile, further hastening the decline of the area.

Although the evidence suggests that people do not particularly want to know about work elsewhere, the MSC is trying to widen horizons by *installing computer links* between Jobcentres. It has taken workers from the North on minibus trips to the south to show them the opportunities. Meanwhile the Government is *tackling the biggest practical* obstacle by amending the Housing Act. Its new Bill will encourage local authorities to make housing available to migrant workers for up to a *year while they look for some*where permanent. It will allow council house tenants to take in lodgers or sublet their houses, and introduces the notion of a shorthold lease which means that private landlords can let their houses for between one and five years and still be sure of getting them back.

"I'm looking for work, so I can't go for training"

Immobility is even more disturbingly apparent among those whom labour market *economists would see as ripe* for retraining. The MSC found the greatest reluctance among the Shotton workers to go any further than their normal travelling distance to acquire *new skills at the Government's* expense. Great efforts were made by the various Government agencies and by the BSC itself to advertise what was on offer, yet less than 10 per cent *said* they were interested.

The high average age of steelworkers cannot be the only explanation. One of the snooker *players who visits the Jobcentre* every day put it quite succinctly: "I can't go for training because I'm looking for work." Some of the men did take it up, but left as soon as a "real job" came up. Indeed the only training most men want is for a heavy goods vehicle licence: you can always do a bit of driving while you look for something that suits.

This is not to underplay the importance of public training, but it does suggest — along with much of the MSC's own *research* — that the primary responsibility for retraining best falls on the employer himself. He knows what skills he needs in the future and can redeploy men within the *organisation.* He can, of course, be helped by public subsidy.

Finally, there does not seem to be much hope — especially in a recession where small employers are going bankrupt — that many redundant *manual* workers will use their severance pay to set up in business. The MSC and bodies like the Welsh Development Agency run courses for would-be entrepreneurs, *and* special provision is being made in the hard-hit steel areas.

A recent MSC paper observed: "It must be borne in mind that the proportion of *people who are both willing* and suitable to form successful new businesses appears to be very small in the population as a whole. Moreover, in some areas affected by redundancy *there may be very little scope* for a new small business, and an individual's willingness to move elsewhere for training or subsequent employment will often be a crucial factor."

Or, as the man said in Shotton Working Men's Club: "You must be joking. There are shops up for sale already. There's even redundancies at Tesco."

MEN AND MATTERS

Talbot waxes eloquent

If you think BL has problems, consider those of Chrys . . . sorry, Talbot, for whom the current stickiness of the UK car market has been superimposed on the hardships last year, when losses more than doubled to £41m.

Perhaps Talbot's thorniest *problem is not so much a* poor image as that it has virtually no image at all, a state of corporate nudity that stems directly from its name-change from Chrysler, and one that has been addressed, in the past few weeks, by some of the shrewdest minds in the advertising business.

Talbot is about to appoint a new advertising agency. It saw two contenders yesterday, and will see another two today. The prize: a £6m advertising account, the richest to have changed hands this year. Yet the agency that wins will have its work cut out.

Filmer Paradise, Talbot's quotable deputy MD, is in no mood for stuff and nonsense. Seeking to stem a falling market share, and mindful of recent heavy lay-offs, he has told the agencies that he does not believe in "airy-fairy image stuff."

Paradise wants "excitement." Talbot should be seen as "dynamic, youthful, up to date and sporty," which differs markedly from the desired style at Peugeot ("dignified, respectable, traditional, restrained") or Citroen ("French, passionate, avant garde, creative").

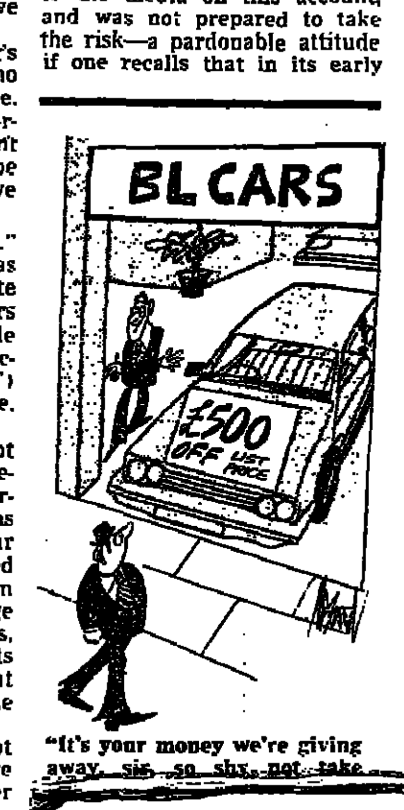
Which is all very well, except that there appears to be widespread distrust among the car-buying public as to the reasons for the change of name. A year ago, Talbot spent an estimated £15m on a European campaign to promote the name change from Chrysler. In Press ads, it promised new additions to its range "dedicated to that essential Talbot promise—the sheer pleasure of motoring."

Yet since the switch to Talbot —the competing agencies have been told—the main customer attitude has been resounding indifference. Half the customers interviewed in recent market research believed the cars themselves to be unchanged, while the name change itself is viewed cynically as a "financial operation," and thus to be distrusted. "Talbot fanatics," the company has told the agencies, "do not exist at the moment."

Talbot's headaches have already proved too much for one *star-spangled contender, Allen* Brady and Marsh, which was one of the original agencies on the short-list but has now withdrawn. Peter Marsh, ABM's ebullient, be-monocled chairman, has cast a thin veil of discretion over this uncharacteristic move, but it is an open secret in Adland that the reason for the withdrawal was that the agency was unable to obtain credit risk insurance on the Talbot account.

At any one time, the agency could have had an estimated liability of up to £1.25m owing to the media on this account, and was not prepared to take the risk—a pardonable attitude if one recalls that in its early days, ABM was very nearly crippled by the collapse of Cyril Lord.

Talbot is aware of all the problems. It has told the competing agencies to avoid a "superlative or grandoise" approach, to eschew ready-made phrase-making or "proclaiming what we cannot do." And that, in Adland, will surely make a change.



"It's your money we're giving away, sir, so why not take

Pas pour Moi

The inability to organise a booze-up in a brewery is a traditional measure of incom*petence. But the absence of a* drop to drink for thousands of spectators at the laying of the foundation stone for a new brewery in Kenya may have had a more substantial cause.

Laying the stone was Kenya's president, Daniel Arap Moi, a life-long tee-totaller. Under the circumstances, Kenya Breweries would seem to have pulled off a feat equivalent to having Princess Anne preside at an anti-bloodsports rally. The president was kind enough to say that, when justified by a hard day's work, "a beer or two may sensibly be regarded as a well-earned refreshment." but followed briskly with a lashing for "alcoholics and heavy drinkers."

Price elasticity

A cynic, according to Oscar Wilde, knows "the price of everything and the value of nothing." But the confused and by now no doubt highly cynical followers of the energy pricing debate find themselves in the opposite predicament. While the value of Britain's natural gas reserves is beyond question, the price seems destined to remain forever mysterious.

Energy minister Norman Lamont told an end-of-term Commons that the average price paid by industrial gas consumers in the UK using 4m therms annually was 25.85 pence per therm at the beginning of this The figure was, he said, an estimate of the price for new supplies, and was derived from related oil prices.

British gas tells me it was not giving anybody new supplies in January—but if it had been, it would have charged some 40 *pence a therm.*

Lamont's numbers, it transpires were actually based on EEC figures. European statisticians, in *coup de grace*, say the 25.850 pence figure was based on new contract prices supplied by British Gas.

Plum loco

How do you sell a locomotive? By tender, of course. The locomotive in question is an 0-6-0 saddle tank called "Lindsay" — I include the details for the technically minded — put up for sale by a syndicate led by Wigan colliery-owner Donald Anderson. Anderson and his partners had Lindsay extensively rebuilt after rescuing it from a scrapyard, and his agents can now offer "steamings by appointment." Would-be BR privatizers will have to bid in the absence of a price-guide, since century-old refurbished locomotives are something of a rarity in the salerooms. Anderson's own hope is that it will be snapped up by a private line which can put it back in service.

Uncivil list

Oh, these waggish civil servants! A curled lip or two was to be seen on more than one Home Office mandarin after the issue of a booklet explaining to staff how to keep themselves and their jobs secret. The booklet *itself was secret, of course*, so its recipients were obliged to sign a check-list as they received their copy. The first signature on the returned list was that of one "L. Brezhnev," dated a *month prior to those of better-*known HQ employees.

Observer

Bottlenecks that could check Australia's energy boom

By PATRICIA NEWBY in Canberra

"WHILE THE rest of the world is getting a headache trying to solve the recession, we're getting a headache counting our money and worrying if we can manufacture the money boxes fast enough."

That is an Australian bureaucrat's view of his country in the 1980s. It was endorsed cautiously, if less colourfully, recently by the Organisation for Economic Co-operation and Development in its survey of Australia. The OECD concluded that Australia was in a better position to withstand the weakening world economy than many other OECD countries.

The reason is energy. The OECD cites Australia as one of a decreasing number of countries which will be net energy exporters in the next two decades.

The lucky country, so-called in the early 1960s by Australian author Donald Horne because of what he saw as its undeserved mineral wealth, looks set to grow luckier still in the 1980s on its energy resources. These comprise roughly 17 per cent of the Western world's easily recoverable uranium, coal to last 1,000 years, natural gas, the prospect of oil from shalet and oil from coal, and even abundant sunshine for solar energy and alcohol fuel production.

Oil, discovered in the past 15 years, gives Australia nearly two-thirds self-sufficiency and insulates it to some extent from rising oil prices, which ironically are the main reason for the lucky country's bright future. As oil prices rise, Australia's alternative energy reserves come into their own.

Uranium exports will expand in the 1980s as mines develop and will, of course, be a money spinner. But the energy crown of the 1980s will be worn by the least glamorous resource, coal.

The country's seemingly limitless reserves of steaming coal suitable for power generation will be used domestically to provide cheap electricity for many projects, but especially the energy-hungry aluminium industry. By 1985 Australia is expected to be the world's biggest aluminium exporter, selling in effect "congealed electricity."

The World Coal Study expects Australia to raise its coal exports from the current 45m tonnes a year—already it is the world's second largest coal exporter after Poland — to around 200m tonnes by 2000, when it wil be number one exporter.

Almost daily the newspapers announce new coal finds and multi-million dollar energy-related projects such as aluminium smelting.

Estimating the value of projects about to get off the ground has become quite a pastime. The department of industry and commerce last month published a list of mining projects worth A$9bn (£4.5bn) and manufacturing and infrastructure projects worth A$17bn which were at the "committed or final feasibility" stage. The Department of Trade and Resources put the mining projects figure at A$23bn and the Australian Financial Review, the country's business newspaper, said the estimates were probably conservative by a factor of two or three.

The country is only just coming to grips with the need to identify and ease likely bottlenecks to the great mining and infrastructure boom. Worried voices are beginning to ask: where will the labour come from? Can the power stations be built in time? Are the ports deep enough? Only last week Mr. Mack Serisie, president of the Australian Institution of Surveyors, said it would take 60 years at current manning levels to survey Queensland satisfactorily for mining development and develop its associated rail and township infrastructure.

The laissez-faire economists who have sway with the conservative Liberal-National Country Party Coalition Government of Mr. Malcolm Fraser, argue that mining companies should pay for the mapping. Put in the railways and ports and train the necessary manpower. If a company is not prepared to meet the costs of setting up a project, then it is not right for the Government to step in they argue. The U.S.-based multinational Utah, Australia's biggest coal miner, has indeed provided the rail and port facilities for its Queensland collieries.

However, other mining companies are holding in reserve the threat to leave their leases undeveloped if the Government does not come to the party and bear some of the costs of setting up Australia's energy boom.

Sir Noel Foley, chairman of CSR, one of Australia's biggest mining companies, bitterly criticised the Queensland Government recently for not assisting with infrastructure for its proposed Hail Creek coal development. "The rail and port charges presently proposed by the Queensland Government for the Hail Creek project make it difficult to compete with new Canadian projects," he claimed.

While responsibility for infrastructure remains in dispute, potential coal buyers such as Japanese utilities are deterred from committing themselves to long-term contracts until they know for sure that coal can be transported to the coast and loaded aboard ships.

The Federal Government, backed by the Treasury, believes it should stay out of the market, leaving resources free for private enterprise. The Government is committed to restraint on capital expenditure as part of its anti-inflation policy which it sees as top priority.

However, a number of Federal and state government working parties have been established to "interface" with industry to try to identify some of the problems from the minehead to the port or smelter.

There are already rumblings at the minehead about delays in getting capital equipment, much of which is imported.

The conversion of coal to electricity is another potential constraint because of the time-lag of six years required for the construction of a power station. There are currently 18 power stations planned or under construction in Australia and they should double the country's electricity capacity by 1987.

But in the meantime, as the man from the New South Wales electricity generating authority said: "The supply and demand situation for electricity to 1987 is very tight."

On the export side, the World Coal Study sees port and coal loader capacity as a stumbling block to achieving the massive increase in coal exports predicted for the 1980s. At present coal-loading capacity is 35m tonnes a year in Queensland and 26m tonnes in New South Wales. Developments under way will expand this capacity to 40m tonnes a year for each state.

The Government and industry are less pessimistic about coal loader and port facilities than the World Coal Study. This is partly because of a coal levy introduced by the Labor Government in the 1970s and maintained at a reduced rate of A$1 a tonne on export coal. The levy is used for dredging and coal loaders.

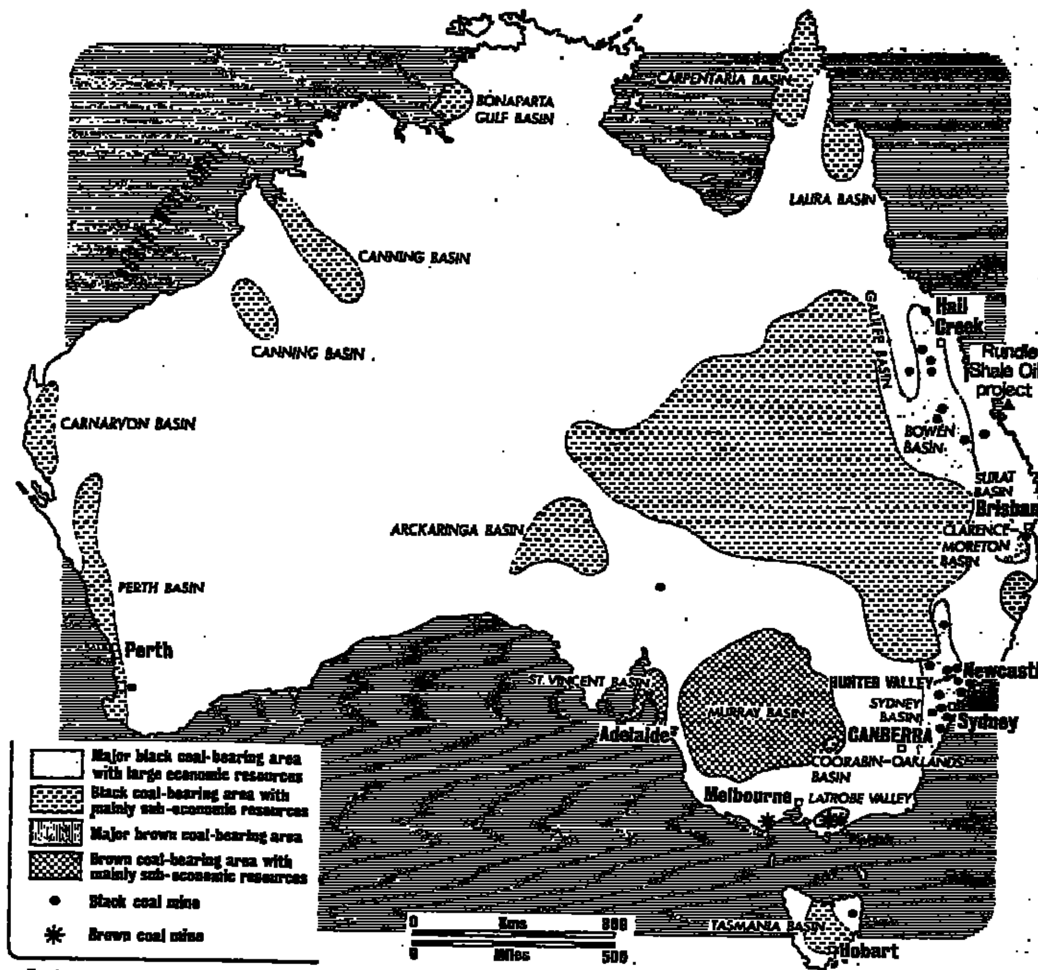
Shortage of skilled labour is expected to be one of the greatest constraints to growth during what has been described as the "construction phase," which will be most of the decade.

The Federal and State Governments announced in June that they would urgently review Australia's trade training system in the hope of improving the skilled labour supply to underpin economic growth and to provide opportunities for the young, many of whom are contributing to Australia's 6 per cent unemployment rate.

Mr. Ian Viner, the Minister for Employment and Youth Affairs, has publicly criticised Australia's apprenticeship system for its lack of flexibility. But the Treasury is opposed to manpower schemes, as it is opposed to virtually all Government intervention in the economy. It believes industry should provide the shortfall that cannot be met by immigration.

However, there are already indications that micro-economic decisions by businesses have not necessarily achieved the desired macro-economic effect. The Federal Government recently launched an A$6m scheme to subsidise Western Australian employers to train apprentices with a view to their employment on the North-West Shelf where an estimated 4,500 skilled workers wil be needed during the decade.

The Government had expected that employers would be willing to take on 200 apprentices under the first phase of the scheme, but the response was far lower. All that was left to the Government thereafter was to exhort industry again to look to the future and train now.



Laissez-faire economists believe there is plenty of slack in the Australian economy and that the necessary workers will materialise through training and immigration when the need arises. A less sanguine view is taken by the manufacturing and farming lobbies which are afraid the profitable mining industry will bid up the price of labour to the detriment of less competitive sectors of the economy.

Another major long-term problem looming for Australia is the effect on the exchange rate of the expected massive injection of capital over the next decade and subsequent boom in export income as coal, uranium and aluminium exports go into high gear.

The problem has brought an impassioned plea from a normally impassive civil servant, Mr. John Stone, Permanent Secretary of the Treasury, for a gradual dismantling of the present protectionist regime, starting with the least efficient industries.

Whether the Government will "bite the bullet" on protection and take the politically damaging effect of consequent unemployment remains to be seen. A 1,500-page report from the Industries Assistance Commission which advises the Government on tariffs was shelved last month until at least after the next election because it strongly recommended the gradual reduction of protection on textiles, clothing and footwear, one of the biggest and most inefficient manufacturing sectors, but also one of the biggest employers.

It is unlikely that a Labour Government would consider a dismantling of import quotas and tariffs any more sympathetically because of the unemployment which could ensue.

So, "the Poor Little Rich Country," as Maximilian Walsh, managing editor of the Australian Financial Review, has described his homeland, still has its headaches, albeit caused by potential boom conditions, instead of the recessionary colds now being suffered in some other parts of the world.

RCA Records

Antony Thorncroft's review of the record industry (August 2) mentioned the closure by RCA Records/PRT group of one of its factories. In fact the group has no plans to close any of its UK factories although at the end of July, 88 employees at Washington, Co. Durham, were made voluntarily redundant in a move aimed at making the factory more competitive.

Letters to the Editor

High energy costs

From the Leader, South Yorkshire County Council

Sir,—Your leader "The impact of energy costs" (July 25), pointing to the impact of high prices being paid by energy-intensive industries for electricity and gas supplies in the UK, demonstrates a profound concern of my council.

The steel industry, like the paper industry, is suffering the burden of high energy costs which its major foreign competitors do not appear to share. In Yorkshire, British Steel Corporation calculates that steel producers are paying 50 per cent more for their electricity than German competitors and 80 per cent more than the French. The viability of electric-arc steel making, upon which the steel industry in South Yorkshire is totally dependent, will be increasingly threatened as electricity prices continue to rise. Now we are told that the price of gas to British industry is to rise by 21 per cent-54 per cent in the coming year, when it was already paying 67 per cent-112 per cent more than West German competitors over three months ago. Still further increases in gas and electricity may be expected as a result of the Government's intention that nationalised industries as a whole should switch from being net borrowers, to the tune of £2.3bn in 1979-80, to net contributors to the Exchequer of £400m in 1983-84.

Industries like the steel industry can ill afford to meet these energy costs when demand for their products on the home market is falling drastically. At the same time they are hampered in competing on the world market by the strength of sterling, boosted, as it is, by the Government policy of high interest rates in the United Kingdom.

The county council does not intend to let the matter rest and is currently investigating the extent of the problem. If necessary it will join industry in pressing the Government to review the pricing policies of the nationalised energy industries towards British industry in general, and energy-intensive industries like steel and paper in particular.

R. Thwaites.
County Hall,
Barnsley,
South Yorkshire.

The price of gas

From the Managing Director, JLG Industries (UK).

Sir, — In your issue of July 30 Mr. Norman Lamont, Energy Minister with responsibility for the gas industry, is quoted as saying that the average price paid in the first quarter by some 900 large industrial customers was 15.96p per therm, with the average price for new customers and contracts as 22p per therm. The latter price was a long way short of the 26p to 33p per therm claimed by the chemical industry as being applicable for new and renewed contracts.

The price to this company in April 1979 was 17.7p per therm. We moved to new premises three miles from our previous situation and the price at April 1980, as charged by the Scottish Gas Board is 37.76p per therm, an increase of 113 per cent. We have been assured in writing, that the terms and conditions of the gas supply to us are entirely in line with the corporation's policies for gas supplies in similar circumstances.

Our price is related to the equivalent oil product and there is a clause to this effect in our so-called "agreement." In the Financial Times of August 4, it is stated that Mr. Lamont points out that the British Gas Corporation has recently moderated its customary policy of relating gas prices to the equivalent oil product.

If the Minister responsible for the gas industry is not aware of what is happening in the British Gas Corporation, perhaps there is a case for dispensing with his "quango."

W. Jack.
JLG Industries (UK), Westfield, Cumbernauld, Scotland.

PAYE computer system order

From the Director, Corporate Communication International Computers

Sir,—In your review of the Government's decision on the Inland Revenue's PAYE computer system (August 9), you have made an assumption which must be challenged. You suggest that an American system, probably from IBM, could be cheaper and more reliable.

We cannot challenge your price assumption — American companies with their huge protected home market and with large-scale Government contracts underpinning their research, are able to address export prices with whatever flexibility is required. Your assumption (repeated in yesterday's leading article) about superior reliability is, however, unfounded: there is no evidence that American equipment is more reliable than ours.

There are many American large system failures—but they are less concerned to publicise them ad nauseam. The general services administration of the U.S. Government has published evidence on Federal department computer failures and overspends. These may not have anything to do with the supply of equipment by IBM or other manufacturers but they, like ICL, are sometimes unfairly blamed. ICL support services in the UK are, of course, more substantial than those of any other supplier, and we have successfully installed large systems more complex than that planned for Inland Revenue and where reliability is many times more crucial than for taxpayer files.

The single tender policy has been implemented by the Government agency responsible in a strict and rigorous manner, and ICL is therefore familiar with the need to operate under "strict performance conditions."

A. A. Benjamin,
International Computers.
Bridge House,
Putney Bridge,
SW6.

But this is not citizen's band

From the Vice-Chairman, Thamesmead Committee, Greater London Council

Sir,—Elaine Williams's excellent article (August 6) accurately describes the state of play on citizen's band open channel radio which the Minister has worked hard to achieve but his advisers have worked hard to stop.

The Home Office green paper rates the maximum range of their suggested system as ten miles. - Yes, only if there are no hills or trees in the way. Yes if you and your friends' aerials are mounted on the roofs of your houses.

This is called "line of sight transmission" might as well flash morse code with a torch.

Richard Town,
(Technical Adviser,
Parliamentary Working Party on Citizen's Band Radio).
Member's Lobby,
County Hall, SE1.

Slaughter of dairy cows

From the Managing Director, Fountain Farming

Sir,—Unfortunately for the agricultural industry its parlous state is even worse than that indicated by John Cherrington's timely article on Friday last.

In the years 1977, 1978 and 1979, the price that a milk producer was paid for his milk rose by only a total of 19.74 per cent, i.e., an average of less than 7 per cent per annum. During the same period the costs of milk production rose by 52 per cent; not a happy state of affairs.

It is my opinion that in the year to June, 1981, we will have seen the slaughter of over 300,000 perfectly fit and healthy dairy cows in this country. Many dairymen will accept the inducement of the "EEC non-marketing of milk scheme" and cease milk production.

It really is tragic that the years of misrule by the Socialist Government that did so much damage to the farming industry should be followed by the myopia of the present one. The new price of 17p per pint for the consumer will mean that the dairy farmer will still receive less than 7p per pint, a pitiful return when one considers the necessary toil, trouble and investment.

If the trend continues it is inevitable that increased imports, that this nation can ill-afford, will result.

Anthony Rosen,
Moor Hatches,
West Amesbury,
Salisbury.

Obstacles to trade

From the Managing Director, Bharat Gears

Sir,—I refer to the article by Pearl Marshall on the Management Page (May 21) describing the investment hurdles in India.

The Indian Government is typical of most Governments in any country of the world. Being a developing nation with an industrial potential and scarce financial resources, it is understandable that any proposed collaboration would attract the close scrutiny of various Ministries. Though I appreciate that the situation is not entirely desirable, it is certainy an understandable condition. To a certain extent, we can legitimately place the blame on the British since the Indian bureaucracy is a legacy of the Raj!

I may also draw attention to the regrettable lack of knowledge in Western industrial circles of conditions, not only in India, but in some cases of their own countries. In an example quoted in the article, the managing director was only able to prepare his first draft of the proposed licence two years after initiation of discussions. An objection is taken to the agreement being modified to be in terms of Indian law. Since the agreement was to be implemented in India, surely this is logical.

The managing director, in order to apprise himself of licencing laws in UK, had to attend a seminar, and by his own admission required "a good six months" to be fully concerned with the legal technicalities. It was only then that he obtained recommendations on the choice of a lawyer, so that the lawyer could be suitably instructed on the outline of the requirements.

I wish to relate my own company's experience with a multinational corporation that had approached us for a joint venture project in India. It is now nearly three years since we initiated discussions and the technical and legal problems involved in reaching an agreement that requires approval from the head office located in one country for its product produced in another have still eluded us. At one stage we received a letter advising us that the project was on, subsequently to be advised that the official who wrote the letter did not carry sufficient authority to approve the project.

Differences of opinion between legal counsel of the various offices of the multinational company have stymied our past efforts and a similar experience was encountered during negotiations with a European company for another product.

There is total lack of appreciation of conditions in India and we have observed that the various officials from the Western companies invariably seek to drive square pegs into round holes.

The fact is that while bureaucracies in India delay approvals, similar "Governmental" bureaucracies delay approvals in large Western companies.

(Dr.) S. Kapur.
Bharat Gears, Hoechst House, Nariman Point, Bombay 400 021

Let them move home

From Mr. J. Stokes, MP.

Sir,—May I remind Mr. D. Wigley MP (July 29) that in the 1930s many people left Wales to find work in England and there are many in my constituency in the West Midlands who are highly respected for the contribution they have made.

At the present time there are a considerable number of vacant jobs in London, the Home Counties and other parts of the South East and I expect that some of them will be filled by sensible people from Wales who will ignore Mr. Wigley's advice and make a success of their lives and careers in the same way as their fathers did 50 years ago.

John Stokes
House of Commons, SW1

Today's Events

GENERAL

UK: Grouse shooting season opens.

British Eggs Authority statement.

Fine Fare statement on minimising inflation for customers.

Overseas: Mr. Nicholas Ridley, Foreign Office Minister, meets Sr. Rafael Castillo Valdez, Guatemalan Foreign Minister, in Guatamala City to discuss Belize independence.

OFFICIAL STATISTICS

Building societies monthly figures for July. Central Statistical Office publishes the June provisional index of industrial production.

COMPANY MEETINGS

Batleys of Yorkshire, George Hotel, Huddersfield, West Yorkshire, 12. A. Cohen, 8, Waterloo Place, SW, 12. Racal Electronics, Connaught Rooms, Great Queen Street, WC, 11.45. Triefus, Thavies Inn House, 4, Holborn Circus, EC, 2.30. Walker and Staff, Walker House, Boundary Street, Shoreditch, E, 12.30.

COMPANY RESULTS

Final dividends: Abwood Machine Tools. W. and J. Glossop. Group Investors. Letraset. Rosgill Holdings. Interim dividends: Commercial Union Assurance. The Mercantile Investment Trust.

SPORT

Cricket: Fifth Cornhill Test, England v West Indies, at Headingley. Tour match, Surrey v Australia, at the Oval.

Boxing: British light-welterweight title fight: Colin Jones (Gorseinion) v Peter Neal (Swindon), at Swansea.

LUNCHTIME MUSIC, London

Organ recital by Rosemary Field, St. Lawrence Jewry, Gresham Street, 1.0 pm.

Organ recital by Suzann Ozorak, St. Michael's Cornhill, 1.0 pm.

TDG tops £12m at midway

FOR THE first half of 1980, taxable profits of Transport Development Group, industrial holding company, increased to £12.21m, compared with £9.56m last time when results were adversely affected by the 1979 road haulage strike. Overseas subsidiaries made a strong contribution but their impact was diminished by the strong pound.

The directors warn that it would be unrealistic in present trading conditions to expect second-half results to match those of the first six months.

On a CCA basis, pre-tax profits are adjusted to £8.33m (£6.18m).

Warehousing and cold storage services are holding up well to the recession, but a decline in traffic is having an effect on road haulage. First felt in the mid belt of Scotland this decline is now spreading to other areas, the directors report.

Turnover for the half year rose from £116.27m to £138.15m and operating profits climbed from £10.13m to £12.8m. A divisional analysis of these shows respectively (with £000s omitted): road haulage £82,518 (£66,959) and £5,821 (£4,779); storage £20,016 (£16,882) and £4,695 (£3,845); plant hire and other transport services £10,333 (£10,151) and £897 (£769); reinforcement and exhibitions £25,280 (£20,275) and £1,388 (£734).

Earnings per 25p share improved from a restated 4.65p to 5.56p, while the net interim dividend is held at 1.45p—last year's total payment was 4.25p on record profits of £22.26m.

With SSAP 15 adopted, tax took £4.16m (£3.15m), and after minorities of £220,000 (£197,000) profits attributable to ordinary holders were ahead from £6.18m to £7.79m. Comparatives have been restated.

Depreciation on buildings took £596,000 (£569,000) while other depreciation accounted for £7.37m (£6.32m). Interest charges decreased from £1.5m to £1.4m and exchange losses were £0.61m lower at £0.67m. Profits on sale of properties and investments expanded from £142,000 to £426,000.

HIGHLIGHTS

Lex looks at the Central Government borrowing figures for July which are £800m higher than the comparable period of the previous year and examines their effect on the gilt-edged market. The major company result of the day came from textile group Nottingham Manufacturing, which shows a sharp fall at the trading profit level with margins under severe pressure. Also Pegler-Hattersley has disposed of an associate in the U.S. for £16½m and Lex looks at this significant move. The column also considers the second-quarter figures from the U.S. oil groups and finally the DoT's consultative document on disclosure of interests in shares.

● comment

Surprises are rare at Transport Development and yesterday's interim figures were much as expected, leaving the shares unchanged at 76p. The haulage side is flattered by comparison with last year's strike-hit first half and the exhibition business is enjoying a cyclical upturn, but the second half will be extremely difficult. Overseas profits may continue to suffer from the strength of sterling, the storage side will feel the effects of recession and the solidity of the haulage operation (soundly financed and highly competitive) will not fully offset declining volume. With 1981 also likely to be a problem year, the fully-taxed p/e of 9½—on profits this year of £22.5m—looks on the steep side. Yet Transport Development boasts a sound record and a balance sheet of high quality. So a shrewd acquisition, perhaps in the U.S., could lift earnings off their current plateau. Taking the most conservative view, a maintained final dividend would produce a yield of 8.1 per cent.

Nottm. Mfg. profit down

PARTICULARLY difficult trading conditions in the second quarter of 1980 have led to a downturn from £6.05m to £4.05m in the first half pre-tax profits of Nottingham Manufacturing Company. Sales amounted to £72.77m compared with £71.29m.

Due to seasonal factors, first half profit and turnover are normally less than those of the second six months and the directors say the group is in a position to take advantage of any improvement in trading conditions.

The interim dividend is being maintained at 1p per share—last year's total was 3.75p from pre-tax profits of £16.84m. The group makes knitted outerwear, hosiery and tufted carpets.

Manchester Ship Canal slumps £1.6m half year

PROFITS before tax of the Manchester Ship Canal Company were cut from £1.97m to £356,000 in the six months to June 30, 1980, but the directors are maintaining the interim dividend at 7.5p per £1 share.

Last year, pre-tax profits totalled £1.51m and a total dividend of 18.38p was paid.

First-half profits this year were after £205,000 (£9,000) profit on sales of land and investments and £307,000 (£337,000) interest. Tax takes £181,000 (£1.02m) giving earnings per share of 2.8p against 23.4p.

Mr. D. K. Redford, chairman, says that in the present difficult business climate, the group has not been able to generate the additional revenue needed from the port and associated operations to offset the continued rise in expenditure, "the rate of increase of which was more than twice as fast as the increase in revenue."

The major burdens of higher cost arose from pay, fuel and dredging in the Eastham approach channel. Main charges on ships and cargo will be increased on September 1, the general trading situation remains dull and the Board is doing what it can to streamline operations.

One of the proposed enterprise zones recently announced by the Government includes land owned by the group in the Manchester docks area. The chairman hopes that these proposals will stimulate interest in developments which should help the group.

As regards current cost accounting it has not been found possible because of difficulties in the appropriate treatment of some of the port assets to issue a supplementary statement with the interim results, the chairman adds.

Warning on sales by Braham

A WARNING that Braham Millar is going to experience an extremely difficult trading year is given by Mr. G. R. Russell, chairman. Sales are unlikely to exceed last year's level and may well show some shortfall, he says in his annual review.

In the light of this, the board is organising a reduction and reorganisation of production facilities to reflect the lower level of activity.

In the first quarter, export markets have shown some improvement but the home market is very depressed. Although the current overall order is reasonable, difficulties are being experienced in concluding home market sales, the chairman adds.

On a more positive note, the chairman says the group is about to commission near Burton-on-Trent, one of the largest sand and gravel processing plants in the UK.

The foundry at Millars, which made a loss last year due to decreased demand for iron castings, is getting increased orders for spheroidal graphite castings which is one of the few parts of the ferrous foundry industry where there is increasing demand.

Middle East orders are increasing and the group will again be represented at the Baghdad Fair in October, the chairman states.

For the year ended March 31, 1980, group pre-tax profits slumped from £452,000 to £144,000 on sales of £8.55m compared with £7.84m. The dividend is cut from 1.666p to 0.6p.

As part of the plan to broaden operations, the group undertook during the year, the design and manufacture of a specialised chemical plant for producing an additive for animal feed. The plant is operating most satisfactorily, Mr. Russell says.

The group trades as a manufacturer of complete *mechanised handling plants for mineral extraction industries,* mines and road and airstrip construction. Meeting, Clay Hill, Enfield, Middlesex, September 3 at 3 p.m.

Hallite climbs 49% to £785,000

AGAINST a background of less favourable trading conditions, particularly in the past quarter, *pre-tax profits of Hallite Holdings advanced by 49 per cent to £785,644 for the 53 weeks to May 3, 1980, compared with £528,024 for the previous 52 weeks.* Sales of this manufacturer of synthetic rubber and plastic precision seals increased 19 per cent to £6.51m.

When reporting first-half profits ahead from £161,055 to £301,976, Mr. H. Harmer, the chairman, said that 1979-80 trading results were expected to exceed those of the previous year.

Full-year earnings per 50p share increased sharply from *13.75p to 24.38p and a final dividend* of 5.25p lifts the net total by 14.8 per cent to 7.75p, against 6.7497p.

Mr. Harmer says that reduced demand in the last six months felt by many companies in the UK engineering industry using hydraulics and pneumatics is affecting the group's business.

However, the group's involvement in the energy markets of deep coal mining and oil well drilling in addition to further expansion of all international sales, will partly offset this declining order pattern in 1980-81.

Although the considerable uncertainties which face industry make it unwise to give any forecast of 1980-81 results, the chairman says the group has a sound financial base and is well placed to deal with the challenges and opportunities of the next 12 months.

The anticipated increase in exports proved in the event to be only 4 per cent, largely because an improving supply position from group manufacturing companies enabled its overseas subsidiaries to reduce their stockholdings of UK manufactured products.

Subject to the effects of a worldwide recession, Mr. Harmer expects sales by subsidiaries to increase further in 1980-81 and that this will cause the value of goods exported from the UK to show the significant growth level of previous years.

Tax charge for the year was £225,448 (£212,090) giving net profits up from £315,934 to £560,196. There were extraordinary credits of £248,956 (nil), of which £247,328 represented the surplus resulting from the sale of some 1.5 acres of land and buildings at Hampton.

Dividends absorbed £178,071 (£155,087) leaving a retained surplus of £631,111, compared with £160,847.

At balance date, group shareholders' funds had increased from £3.98m to £4.61m. Total bank borrowings were down to £724,889 (£1.16m).

Mr. Harmer is to retire from the Board on October 1 and will be succeeded as chairman by Mr. J. Gordon, who is currently managing director.

Meeting, Sunbury-on-Thames, September 24, at noon.

● comment

Although Hallite has recovered from the dog-days of a year ago, even a 49 per cent increase in profits before tax still leaves the company well short of the record £1.07m made in 1978. Over the years Hallite has had a fluctuating profit record partly because as a supplier of precision seals to original equipment manufacturers it has suffered from the cyclical swings in the engineering industry which tend to be exaggerated for primary producers. In 1979 the company was not only caught by a drop in orders but also suffered stock control difficulties. Since then matters appear to have improved and the group has benefited from more aggressive selling and new products. In the current year the outlook is uncertain, but the company will find it difficult to improve its earnings. One plus point is that the balance sheet has been restored to its former strength following the sale of surplus land at Hampton. At an unchanged 107p the shares yield 10.6 per cent with the dividend covered 4.5 times.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Comben Group .....int.	1.2	Oct. 8	1.2	—	2.55
Gold Fields Property ,	10‡	Oct. 3	6	10	6
Hallite Hldgs.	5.25	—	4.6	7.75	6.75
Howard Shuttering ...	1.2	Oct. 21	1	2	1.54
Manchester Ship	7.5	Oct. 13	7.5	—	18.4
Notts. Mfg. ....int.	1	Dec. 1	1	—	3.75
Property Sec. Inv. Tst.	*1.3*	*Oct. 1*	*1.1*	*1.8*	*1.6*
Transport Devt. ...int.	1.45	Nov. 7	1.45	—	4.25

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ South African cents.

Murray Caledonian advances

AFTER TAX of £606,089 against £607,591 revenue of Murray Caledonian Investment Trust improved from £827,446 to £1.01m in the year to June 30, 1980.

The dividend is effectively raised from 1.4p to 1.8p net with a final of 1.3p, and at the same time the directors are proposing an interim dividend for the current year of 1p. They anticipate that the final for 1980-81 will be at least maintained, making a total of 2.3p.

As usual, "B" ordinary shares will attract a scrip issue equivalent in value to the cash dividends.

Dividends for the year under review absorb £965,520 (£749,060) and after preference dividends of £36,382 (same) the net balance emerges at £9,508 (£42,004). After the inclusion of £1.23m (£1.18m) brought forward, there is a balance of £1.24m (£1.23m).

Net assets amounted to £41.11m (£37.79m), or 74.2p (66.4p) per share.

Improvement at Howard Shuttering

TAXABLE profits of Howard Shuttering (Holdings) rose by £172,537 to £582,506 in the year to April 30, 1980 and the dividend is lifted from 1.54p to 2p net with a final of 1.2p.

Turnover of the group, which carries out formwork and shuttering for the building trade and offers a plant hire service, went ahead from £3.22m to £3.84m.

After tax of £299,945 (£213,052), stated earnings per 10p share are up from 4p to 5.7p. At mid-year, there were pre-tax profits of £301,542 (£218,956).

Daejan sees increase in rental income

Mr. B. S. E. Freshwater, chairman of Daejan Holdings, says in his annual statement that he is confident the upward trend in group rental income will be maintained. However, profits will still be subject to the something individual flats in the apartment block that was purchased. This venture should produce a measure of profit in the current year, members are told.

As reported on July 11, taxable profits for the year to March 31, 1980 rose by £861,000 to £4.19m. Earnings per share advanced from 13.84p to 17.02p and the total dividend is raised from 3.25p to 3.5p, with a final payment of 2.275p net.

The AGM of the company will be held at the Connaught Rooms, EC, on September 4, at noon.

Group commercial properties continue to generate satisfactory income growth and despite the economic recession no great difficulty in maintaining a high level of lettings has been experienced so far.

The chairman reports that the group has made considerable progress on implementing the special programme of repairs and decorations for which provision was made last year. He expects this provision to be fully utilised over the next two or three years.

Investment in the U.S. is proceeding well and it is hoped soon to be in a position to start selling individual flats in the apartment block that was purchased. This venture should produce a measure of profit in the current year, members are told.

T. Cowie subsidiary development

Eastern Tractors, recently acquired by T. Cowie, has announced plans for the continuation and further development of its trading activities in East Anglia.

Rationalisation will take place, but it is intended that the sales and service of agricultural, industrial, and horticultural equipment will be maintained and improved where necessary.

Extensive discussions have already taken place with Massey-Ferguson, for whose products Eastern Tractors are main distributors in the region.

Eastern Tractors was acquired when Cowie took over George Ewer, after a protracted bid battle. The enlarged Cowie group will have an annual turnover of £100m and net assets approaching £20m.

MURRAY WESTERN

Pre-tax revenue for Murray Western Investment Trust rose to £1.55m as against £1.28m. Tax took £620,848 compared with £531,451.

At half time net asset value was 10.5p up at 87.6p.

Net total dividend is held at 2.1p by a final of 1.6p. Earnings per share were better at 2.25p (2.17p).

Guthrie to manage £20m Liberian plantation project

GUTHRIE International Plantation Services, the Kuala Lumpur-based plantation consultancy arm of the Guthrie Corporation, has won a major international contract to manage the 18,000-acre Decoris oil palm plantation project in Liberia.

The project will cost more than £20m, and is sponsored by the Liberian Government. Finance is being provided by the Commonwealth Development Corporation, the World Bank, the African Development Bank and from local sources.

Guthrie has major plantation holdings in the Far East and wide experience in plantation development and management in many countries. In the Decoris project—the latest in a number of agricultural projects with which the Guthrie company is associated in West Africa—Guthrie will also provide technical advisory services to 1,000 smallholder families in the area.

Guthrie Ropel Berhad, Guthrie's publicly quoted Malaysian subsidiary, yesterday signed an agreement with Negeri Sembilan Development Corporation (NSDC) to establish a joint venture to develop a 5,000-acre rubber plantation in the district of Kuala Pilah.

The joint venture company, to be known as NSDC-Guthrie Plantation SDN. BHD, will have an authorised capital of M$12.5m (£2.5m). NSDC will hold 60 per cent. and Guthrie Ropel 40 per cent.

For the NSDC, the agreement was signed by Dato Rais Yatim, chief minister of Negeri Sembilan.

Guthrie controls 75,000 acres of plantations in Negeri Sembilan and the project confirms the company's confidence in the long-term future of natural rubber in Malaysia.

Stroud Riley confident of recovery

PROVIDED THINGS do not get worse in the general state of the economy of the UK and of the Western world, Mr. R. V. Stroud, the chairman of Stroud Riley Drummond is convinced that the textiles group will go forward to better things.

For the year ended March 31, 1980, a pre-tax loss of £62,000 was incurred, against profits of £406,000 previously—as reported July 25. No final dividend is being paid leaving the year's payout at 0.5p (1.5p) net per share.

Mr. Stroud says in his annual statement that the restructuring of the group's UK textile interests has meant significant changes in management and also a considerable number of staff redundancies, particularly in James Drummond and Sons. That company, along with the rest of the group, is now slimmed down in order to be able effectively to take its share of the very much smaller market available to the industry.

Redundancy and reorganisation costs in the 1979-80 year totalled £202,000, less tax relief.

Compensation of £10,000 was paid to a former director for loss of office.

Owing to the current instability in the Middle East and the uncertain future in that area the directors have felt it prudent to provide a sum of £79,000 against all possible losses.

Meeting, Bingley, September 5, 11 am.

DRAYTON PREMIER

Following purchases of 300,000 shares, National Coal Board Pension Funds now holds 5.72m shares in Drayton Premier Investment Trust—20.14 per cent.

EUROPEAN OPTIONS EXCHANGE

Series		Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	March Vol.	March Last	Stock
GM C	$45	2	9⅛	—	—	—	—	$53⅝
GM C	$50	2	4⅛	—	—	2	7	"
Series		**Oct. Vol.**	**Oct. Last**	**Jan. Vol.**	**Jan. Last**	**April Vol.**	**April Last**	**Stock**
ABN C	F.300	9	21	—	—	—	—	F.321.50
ABN C	F.320	12	7	3	8	3	9.50B	"
AKZO C	F.22.50	23	1.50	—	—	—	—	F.23
AKZO C	F.25	28	0.50	—	—	1	1.20	"
AKZO C	F.27.50	20	0.20	—	—	—	—	"
AKZO P	F.25	23	1.90	10	2.30	14	2.40	"
AKZO P	F.27.50	3	4.50	—	—	—	—	"
AMRO C	F.65	5	4.50	—	—	—	—	F.69
KODA C	$60	5	6⅛	—	—	—	—	$65¼
HEIN C	F.55	3	5.20A	—	—	—	—	F.60.50
HEIN C	F.60	65	3.10	22	4.60	—	—	"
HEIN C	F.65	6	1	2	2.50B	—	—	"
HEIN C	F.70	5	0.30	—	—	—	—	"
HEIN P	F.55	—	—	3	1.50	—	—	"
HEIN P	F.60	4	3	1	3.70	—	—	"
HEIN P	F.65	5	6.70	1	6B	—	—	"
HOOG C	F.17.50	—	—	6	1.30	—	—	F.16.90
IBM C	$65	1	3⅝	—	—	—	—	$65½
KLM C	F.60	17	6.50	—	—	—	—	F.66.40
KLM C	F.70	35	1.80A	30	3.20	—	—	"
KLM P	F.60	60	1.70	30	3.80	—	—	"
KLM P	F.70	13	7.20A	—	—	—	—	"
NATN C	F.120	—	—	—	—	1	5.50	F.117.30
PHIL C	F.17.50	56	2.60	17	2.70	—	—	F.20.10
PHIL C	F.20	381	0.70	174	1.10B	76	1.50	"
PHIL P	F.17.50	—	—	80	0.40	—	—	"
PHIL P	F.20	80	0.70	—	—	—	—	"
PHIL P	F.22.50	20	2.80	—	—	—	—	"
POLA C	$30	—	—	—	—	2	3⅝	$28¼
OLIE C	F.150	22	22.50	—	—	—	—	F.172.20
OLIE C	F.160	118	13.50	2	13.80	—	—	"
OLIE C	F.170	169	5.80	27	7.90	—	—	"
OLIE C	F.180	33	1.80	15	2.90	6	5	"
OLIE P	F.150	96	0.50	100	1.10	—	—	"
OLIE P	F.160	110	2	—	—	—	—	"
OLIE P	F.170	71	6.70	27	7.70	—	—	"
OLIE P	F.180	10	13.20A	60	13.80	—	—	"
UNIL C	F.120	2	3.70	—	—	—	—	F.119.80
UNIL C	F.130	10	0.70	—	—	—	—	"
UNIL P	F.115	55	0.70	—	—	—	—	"
		Aug.		**Nov.**		**Feb.**		
SIEM C	DM.280	10	630B	—	—	—	—	DM285.10
SLUM C	$110	109	21¾	—	—	—	—	$130⅝
SLUM C	$120	3	11⅛	3	15	56	17¾	"
SLUM C	$130	—	—	7	7½	2	11¼	"
VW C	DM.170	—	—	9	5.50	—	—	DM171.29

TOTAL VOLUME IN CONTRACTS 2471

C=Call P=Put

RESULTS AND ACCOUNTS IN BRIEF

BURT BOULTON HOLDINGS (timber, road materials, etc.)—Results for year to March 31, 1980, already reported with prospects for current year. Capital reserves, £1.82m (same). Retained profits, £5.65m (£4.64m). Stocks, £10.6m (£9.98m). Creditors, bills payable, accrued charges and provisions, £5.49m (£5.06m). Indebtedness to bankers, £5.48m (£4.96m). Meeting, Brettenham House, Lancaster Place, WC, September 25 at 12.30 pm.

DURA MILL—Dividend 3p (same)

year to March 31, 1980 Turnover £715,861 (£692,322). Pre-tax profit £2,417 (£2,999), after interest £8,862 (£6,658), etc. Tax £1,565 (£459).

HAT GROUP (specialist sub-contractor to construction industry)—Results for year to February 29, 1980, already reported with outlook for current year. Shareholders' funds, £17.24m (£14.65m). Stock and work in progress, £14.2m (£9.26m). Bank overdrafts, £781,000 (£342,000). Meeting, Wrington, Avon, September 4 at noon.

LYNTON HOLDINGS (property investment and development)—Results for year to March 31, 1980, already reported. Properties, £54m (£55.43m). Long- and medium-term loans, £14.05m (£24.08m). Bank loans and overdrafts (secured), £12.24m (£6.49m). Capital account, £22.02m (£20.14m) and revenue account, £2.35m (£2.03m). Meeting, 1-2 Mason's Arms Mews, Maddox Street, W, September 1 at noon.

STOCK CONVERSION AND INVESTMENT TRUST—Results for year to March 31, 1980, with scrip issue already reported. Investments, £122.79m (£120.86m). Shareholders' funds, £94.62m (£90.38m) including capital reserves, £69.39m (£68.71m) and revenue reserves, £17.7m (£14.18m). Directors confident that current year will be successful. Equity Trust holds 23.54 per cent of capital. Meeting, Cafe Royal, W, September 8 at noon.

SYLTONE (engineer and wholesale electrical distributor)—Results for year to March 31, 1980, already known. Shareholders' funds £4.73m (£3.76m), bank overdrafts £1.62m (£0.78m), loan £232,400 (£350,000), bank balances and cash £177,719 (£99,851). Pre-tax profits of £1.84m (£1.43m) adjusted to £1.31m (£1.14m) on CCA basis. Meeting, Post House Hotel, Bramhope, near Leeds, September 3, at 2.30 pm.

LONDON TRADED OPTIONS

Option	Ex'rcise price	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	April Closing offer	April Vol.	Equity close
BP	300	66	4	86	—	—	—	357p
BP	360	27	12	46	—	58	—	"
BP	390	15	1	30	1	—	—	"
Com. Union	140	12	8	17	2	21	—	159p
Com. Union	160	5	2	9	2	12	—	"
Courtaulds	60	9½	1	12	—	15	—	65p
Courtaulds	70	4	25	7½	13	10	13	"
Courtaulds	80	2	16	5	—	—	—	"
Courtaulds	90	1	—	2	18	—	—	"
GEC	390	112	6	130	—	—	—	483p
GEC	460	50	50	72	—	90	—	"
GEC	500	24	23	48	—	68	—	"
Grand Met.	140	16½	5	26	1	31	—	153p
Grand Met.	160	6	3	15	—	18	—	"
ICI	420	3	2	—	—	—	—	366p
Land Secs.	323	50	1	66	—	—	—	363p
Land Secs.	390	11	1	27	1	42	—	"
Marks & Sp.	90	15½	4	19	—	23	8	101p
Marks & Sp.	100	6½	55	12½	7	17	—	"
Shell	390	40	3	58	—	—	—	417p
Shell	420	23	10	40	—	50	—	"
Shell	460	9	14	23	—	30	—	"
Totals			246		45		21	
		August		**November**		**February**		
Imperial Gp.	80	3	—	6	20	9½	2	61p
Lonrho	84	11	30	16	5	21	14	94p
Lonrho	94	4	—	11	18	16	2	"
Lonrho	104	2	—	7½	32	12½	81	"
Lonrho	114	1	—	4	4	8½	—	"
Racal Elec.	260	20	1	40	—	52	—	279p
Racal Elec.	300	1½	4	18	8	30	—	"
RTZ	460	20	15	48	6	65	—	475p
RTZ	500	5	—	27	1	48	—	"
Totals			50		92		99	

SPAIN

August 8	Price %	+ or −
Banco Bilbao	226	
Banco Central	248	
Banco Exterior	210	
Banco Hispano	224	
Banco Ind. Cat.	120	
Banco Madrid	141	
Banco Santander	276	
Banco Urquijo	138	
Banco Vizcaya	236	
Banco Zaragoza	214	+1
Dragados	97	+2
Espanola Zinc	63	
Fecsa	62	
Gal. Preciados	23.5	
Hidrola	67.2	+0.2
Iberduero	61.5	+0.3
Petroleos	111	
Petroliber	87	
Sogefisa	107	
Telefonica	65	+0.8
Union Elect.	67.2	+0.2

BIDS AND DEALS

McEvoy sale makes £16.5m for Pegler

BY RAY MAUGHAN

Pegler-Hattersley, one of the largest manufacturers of valves in the UK, has agreed with its partner, Rockwell International, to sell the jointly owned McEvoy Oilfield Equipment operations to Smith International of Newport, California, for an expected consideration of about $80m.

The sale of its 49 per cent holding in McEvoy is worth about £16.5m to Pegler at current exchange rates and compares with Pegler's market capitalisation of £35.85m at 122p, up 6p yesterday. Net worth of Pegler in the March balance sheet was almost £80m.

The transaction, which Pegler and Rockwell expect to complete in October, will be conditional, inter alia, on the receipt of appropriate consents or clearances from regulatory authorities in the UK and the U.S.

Pegler's involvement in McEvoy stems from its acquisition of Newman Hender in 1969 when the bidder topped an offer from Serck. It is perhaps indicative of the ties which periodically link the major steel valve manufacturers in the UK, and the U.S., that at about the same time Serck was cutting its agreements with Rockwell in lubricated plug valve manufacture. Rockwell came back to Serck recently with a dawn raid which gave it 29.9 per cent of the Serck equity and had been planning an outright bid worth £33m before the U.S. Justice Department intervened to block the agreed offer.

As a subsidiary of Pegler, Newman Hender produced McEvoy equipment under licence from Rockwell for five more years until, on the expiry of the licence agreements, Pegler acquired a 49 per cent interest in McEvoy, which is based in and around Houston, Texas, in exchange for a 51 per cent holding in Gloucestershire-based McEvoy activities in the UK. McEvoy manufactures well-head equipment for the oil industry and employs around 1,100 employees, around 500 in Gloucestershire.

McEvoy had been a success story for Pegler until, about three years ago, its contribution to profits peaked at over £4m pre-tax. The oil equipment market has since been hit by intense competition which has slashed margins. McEvoy, moreover, has recently lost its important market in Iran and has had to bear the cost of extensive sub-seas well head research and development. Its contribution to Pegler's profits, finance director Mr. R. N. Inman, said yesterday had slumped to under £1.5m pre-tax in the year to March last although trading is apparently on a recovery path.

Mr. Inman acknowledged the long-term growth prospects inherent in oilfield valves but said that Smith, a major Californian supplier of oilfield equipment with no previous involvement in the valve industry, had approached Rockwell which, in turn, relayed the approach to its junior partner.

"It was not something we set out to do," the finance director pointed out, "but the decision made itself." It is not difficult to understand why. Smith is apparently willing to take Pegler's interest out at almost 20 times fully taxed historic earnings—a ratio which may be the norm in the Californian energy industry but looks overwhelmingly favourable to a UK industrialist. Pegler was rated at just over four times historic earnings last week and the rump of its business is now trading on a p/e of about 3½.

Pegler will be publishing a Class One circular to set out the details of the disposal in due course but has no immediate plans to redeploy its cash proceeds. It is clear that Smith's approach took Pegler by surprise but the need to reinvest may become pressing. With an already healthy balance-sheet, Pegler's cash-filled coffers, its low market rating and difficult prospects may presage an unwelcome bid. It would be ironic if Rockwell's expansionary ambitions in Europe and knowledge of the valve industry lead it to approach Pegler now that its plans for Serck have been put aside. As Smith said in a recent annual report "nothing happens until somebody sells something."

Lex, Back Page

Selection Trust holders prefer BP cash to shares

British Petroleum has won control of Selection Trust, the mining finance house, but the majority of Selection Trust's shareholders have elected to take cash for their shares rather than BP paper.

Yesterday BP announced that its bid had been accepted by shareholders representing 91.7 per cent of Selection Trust's shares. Just over 60 per cent, however, had been handed in for cash before the cash offer closed last Friday.

At that time BP's share offer—18 shares for every five Selection Trust—valued each Selection Trust share at £12.89, a very small premium over the cash offer of £12.75 a share despite a 10p rise in BP's share price on the day.

At that price, BP has had to pay £246.1m in cash for its planned diversification into minerals. The share offer remains open indefinitely.

WINCHMORE TRUST

The Stock Exchange listing of Winchmore Investment Trust has been cancelled. Applications to make specific bargains under rule 163 (2) may be submitted.

CULTER GUARD

Industrial Equity (Pacific) Hong Kong is interested in 470,000 shares of Culter Guard Bridge Holdings, amounting to 6.29 per cent.

MALLOWS OFFER

BPM's offer for David Mallows and Co. is now unconditional.

Witan Investment lifts stake in William Collins

Witan Investment has increased its shareholding in William Collins and Sons (Holdings), the Glasgow publishing group which announced a turnround from a profit of £3.35m to a loss of £255,000 for 1979, earlier this year.

Witan announced yesterday that it had bought a further 119,000 ordinary shares taking its holdings up to 328,000 shares—equal to 7.96 per cent of the voting capital.

Mr. Raymond Cazalet, managing director of Witan, said that the shares were purchased on recovery prospects for the group and there was a possibility that the holding might be added to at a later date.

EMI selling scanner line in U.S.

BY DAVID LASCELLES IN NEW YORK

EMI Medical Inc., the UK company's U.S. affiliate, is negotiating to sell its scanner 6000 product line to Omnimedical, a small Los Angeles company which manufactures diagnostic equipment.

EMI is in the process of extracting itself from the CAT scanner business. An earlier attempt to sell its U.S. CAT scanner business to GE of the U.S. had to be modified because of anti-trust problems. However, the assets and operations involved in the deal with Omnimedical are separate from the GE deal.

Mr. Gary Mounts, chairman of Omnimedical, said yesterday that no definitive agreement had been reached, and he would not discuss the kind of price involved.

He said Omnimedical already makes head CAT scanners, and that the 6000 body scanner would complement the company's product

BRITISH INDS. AND GENERAL

Hoare Govett has purchased 600,000 deferred 25p shares in British Industries and General Investment Trust on behalf of a wide range of clients for long-term investment purposes. The shares have been acquired from London and Manchester Assurance Company.

Three investment trust companies to which Drayton Montagu Portfolio Management acts as investment managers, intend in the immediate future to sell 600,000 deferred shares of British Industries and General Investment Trust to Hoare Govett clients.

The trusts are Drayton Premier Investment Trust, Drayton Consolidated Trust and Drayton Commercial Investment Company.

Mr. Richard Granville, a director of Hoare Govett, will be invited to join the BIGIT Board.

Foseco's offer for Unicorn is unconditional

Foseco Minsep's offer for Unicorn Industries has become unconditional and will remain open until further notice following the passing of a resolution at an extraordinary meeting to reorganise Unicorn's share capital.

Foseco has received acceptances from holders of 26,477,472 Unicorn ordinary shares, amounting to 92.41 per cent, of which holders of 23,372,675 have elected for the ordinary consideration. Immediately prior to the announcement of the offers, a subsidiary of Foseco held 600,000 Unicorn shares, or 2.05 per cent.

Foseco intends to acquire the outstanding shares compulsorily.

ASSOCIATES DEALS

Arthur Guinness Son and Co.—A trust of which Lord Iveagh, director, is a trustee has acquired 25,000 shares for £22,648. He has no beneficial interest in these shares.

LRC International — Mr. D. H. S. Howard, director, has sold 50,000 shares at 35p from non-beneficial account.

C. H. Bailey — C. H. Bailey, director, on July 24 disposed of 72,266 shares and on July 28 sold 70,000 shares. These shares were held as a trustee.

British Land — Rowe and Pitman, associates, has bought for an associate of British Land, 29,000 Corn Exchange shares at 50p.

Murray Clydesdale Investment Trust:—As a result of purchase of 100,000 shares, National Coal Board Superannuation Scheme and the Mineworkers' Pension Scheme jointly hold 5,258 shares (6 per cent).

Midland News Association:—In a recent transaction Claverley Company, parent of Midland News Association, bought 4,500 5.6 per cent preference shares at 60p per share. The Board states that Claverley is prepared to acquire any other holdings at the same price during the next two weeks.

SHARE STAKES

Butterfield Harvey—Britannic Assurance Company has acquired 50,000 ordinary, making holding 1.48m (10.24 per cent).

Warren Plantation Holdings—Plantation and General Investments (a company in which Mr. K. P. Legg exercises over a third of the voting power) has sold 60,000 shares, leaving holding 440,000 shares (.2 per cent).

Great Northern Investment Trust — Pearl Assurance has acquired a further 150,000 shares, increasing holding to 5.67 per cent.

R. and W. Hawthorn, Leslie and Co.—N. P. List, director, has disposed of 89,000 shares.

Tex Abrasives policy

HAVING DIVERSIFIED sufficiently to hold its own to a reasonable extent in almost any circumstances, Tex Abrasives, the industrial abrasives products group, is taking all available steps to diversify even further in the various markets which have not been attacked previously, Mr. L. Evelyn-Jones, the chairman, tells members in his annual statement.

The industrial dispute in the steel industry is still having an effect and the chairman says it would seem that there is little or no demand for furniture—the furniture industry is one of the largest users of abrasives.

For the year ended March 31, 1980 pre-tax profits improved from £367,888 to £379,756, on turnover of £5.71m (£5.6m)—as already known. The total dividend is being kept at 3.17345p net.

At balance date, shareholders' funds were up from £1.76m to £1.88m. Bank overdrafts were lower at £467,075 (£678,212) and there were no secured loans, against loans of £5,570 last time.

Mr. Evelyn-Jones is to relinquish the post of chief executive to Mr. Brian Carter, the deputy chairman and managing director, but will remain as chairman.

Meeting, Colchester, September 4, at noon.

UK COMPANY NEWS

Ruston and Hornsby advances

Ruston and Hornsby, the engine manufacturer, raised pre-tax profits to £22,606,000 against £20,894,000 for the year ending March 31, 1980.

Turnover for the GEC subsidiary was £87,463,000 (£72,460,000).

LONDON TRUST

Following the recent conversion of London Trust's convertible loan stock 1985/87, £106,880 remains outstanding. The board is to exercise its rights under the trust deed to give remaining stockholders three months notice of intention to require them to convert the whole of their stock into ordinary shares.

Comben shows halftime rise

IMPROVED margins and an increased contribution from overseas developments have lifted taxable profits of Comben Group, estate developer and house builder, to £2.81m in the six months to June 30, 1980, compared with £2.3m. Turnover fell slightly from £23.94m to £23.25m.

The current volume of sale activity in the UK is lower than last year, say the directors, but they are encouraged by the fact that mortgages are now readily available. When the inevitable reduction in interest rates occurs, they add, purchasers' confidence should be restored.

Six months' tax takes £350,000 (£600,000), leaving the attributable surplus up at £2.46m (£1.7m), of which the maintained interim dividend of 1.2p again absorbs £485,000. Last year, a total of 2.55p was paid from pre-tax profits of £5m.

Comben is an associate of Hawker Siddeley Group subsidiary, Carlton Industries.

● comment

With a land bank of around 8,500 plots supported by a Comben can afford to take a moderate level of gearing, cautious approach. Turnover has slipped in the first half but margins have improved by 2½ percentage points because cash flow has been helped by a low level of spending on new land and by the inclusion of £0.5m of high-margin overseas profits. This contribution will be roughly maintained in the second half with the Portuguese earnings overtaking those from France. Over the medium term, Texas is clearly a prospective money-spinner. Within the UK, the group is insulated from the most severe depression in house prices by its emphasis on more expensive homes (the average unit price is £31,000) and by its recently introduced mortgage insurance scheme. In this context, the maintained dividend — covered five times on the estimated tax charge — looks parsimonious. Comben should at least maintain last year's pre-tax figure of £5m which, on a full tax charge, produces a realistic p/e of about 5½ at yesterday's price of 34p. The yield is 11.1 per cent on a maintained final, though shareholders will have reason to expect a little more.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Commercial Union Assurance, Mercantile Investment Trust, Unilever.

Finals: Abwood Machine Tools, Hawker Siddeley, W. and J. Glossop, Group Investors, Letraset, Rosgill.

FUTURE DATES

Interims—

English & Scottish Investors	Aug. 13
Noble and Lund	Aug. 21
Ocean Transport and Trading	Aug. 19
Pentland Industries	Aug. 22
Smith and Nephew	Aug. 19
Squirrel Horn	Aug. 14
Ultramar	Aug. 14

Finals—

Jenuque	Sept. 15
Mountleigh	Aug. 27
Reardon Smith Line	Aug. 14
Reliance Knitwear	Aug. 21

PSIT ahead £0.5m and plans scrip

FROM gross income of £4.66m against £3.74m, pre-tax surplus of Property Security Investment Trust jumped by £505,000 to £565,000 in the year to March 31, 1980.

The dividend is stepped up from 1.6p to 1.8p net with a final of 1.3p and the directors are planning a one-for-four scrip issue.

The surplus is struck after interest of £3.54m (£3.18m) and expenses of £255,000 (£202,000), but before tax of £340,000 (£188,000), minorities credit of £225,000 (£151,000) and an extra-ordinary credit of £936,000 (£24,000).

The group's main activities are property investment and dealing and share dealing.

Nchanga Consolidated Copper Mines Limited

Statement by the Chairman the Hon. J.C. Mapoma, M.P., Minister of Mines.

(Incorporated in the Republic of Zambia)

The last 12 months have been marked, at the international level, by grave political tensions, uncertainties in the world financial system, more increases in oil prices and an unprecedented rise in the price of precious metals. On the domestic front, on the other hand, there were two very encouraging and significant developments. In the first place, the Republic of Zambia made important progress in the implementation of the International Monetary Fund programme negotiated in 1978. As a result of this, the country achieved some economic recovery, even if this was modest. Secondly, it is my pleasure to announce that the Company's financial position improved further during the 1979/80 financial year and that, consequently, the Company made a profit before tax of K131.2 million compared to K26.0 million for the previous financial year. The higher profitability was attained because of the higher prices of copper on the London Metal Exchange and the increased contribution of cobalt. Therefore, the good financial results can only be received with cautious optimism since finished production for the year reflects a drop for the third year running.

Operating Results

Finished copper production for the year ended 31st March, 1980 was 359 516 tonnes, compared to 368 332 tonnes for the previous financial year, and was 9 530 tonnes below the forecast of 369 636 tonnes.

The reduced production resulted from the effects of reduced expenditure for maintenance of mine plant and operating equipment, on account of the low copper prices during the five-year period to the end of 1978. In addition, the Company continued to suffer from the loss of skilled personnel.

CHINGOLA DIVISION

Chingola Division's tonnage of ore delivered to the mills and the overall grade of ore were only slightly down on the previous financial year's figures due to reduced output from the underground and lower grades of ore mined from the Nchanga Open Pit (NOP). Detailed exploration drilling carried out underground in the eastern section of the mine over the last two years has indicated that the mineralisation in the Lower Orebody thins out earlier than expected and, in some areas, barren zones were delineated. In order to enable the Company to maintain optimum mill feed grades, it will be necessary for it to carefully control production from the remaining reserves from the rich Lower Orebody and to balance this with the mining of lower grade ores from other areas.

Critical shortages of spares for open pit vehicles resulted in overburden stripping being some nine million bank cubic metres (bcm) below the programmed 28 million bcm.

There was some improvement in the supply of spares towards the end of the year and, consequently, vehicles availabilities were better. In addition, new vehicles were introduced into the fleets, together with locally reconditioned trucks, with the aim of accelerating stripping operations and ore production. The Company attaches paramount importance to the improvement in the availability of open pit equipment because Chingola Division's *operations will become the key* to the Company's successful productive efforts over the next few years.

The new Chingola "E" open pit was in full production with better than forecast copper ore tonnages and grades being achieved.

The rehabilitation of the West Mill continued and, in the last quarter of the year, better results were obtained from this plant.

Production from the Tailings Leach Plant was higher than forecast despite the fact that the reclamation of old tailings was constrained by acid shortages.

ROKANA DIVISION

Underground ore production levels were maintained and the average grade of ore delivered was slightly higher. Ore production from the open pits was lower due largely to significantly reduced equipment availabilities at the Mindola Open Pit, where the shortage of spares and skilled maintenance personnel was particularly severe. This pit, as a source of ore to the oxide concentrator, is nearing exhaustion. However, recent surveys indicate that reserves of ore suitable for treatment in the Torco Plant will be available for several years.

At the smelter, only three reverberatory furnaces were in operation at the beginning of the financial year because of shortages of coal which arose during the previous financial year. This, coupled with an acute shortage of refractory bricks, which delayed furnace overhauls, resulted in a build up of high grade concentrates.

The first unit of the refinery tankhouse to be rehabilitated came back on stream early in June, 1980. Rehabilitation work on the "B" unit will, therefore, commence shortly.

KONKOLA DIVISION

Ore production from both shafts at Konkola Division was slightly better during the year under review. However, development was affected, as at the other Divisions, by serious shortages of spares for mining equipment.

The future of Konkola Division will depend very heavily on the Company being able to provide, at an early stage, adequate pumping facilities which will lead to a steady lowering of water levels in the main aquifers. Your Company is confident that, when the two new pump stations on the 3 240 level at No. 1 shaft and at the 1940 level at No. 3 shaft are complete and commissioned and full scale dewatering becomes possible, a slow but steady improvement in production will be possible from the Division. But it is unlikely that these improvements will be achieved for at least five years.

Concentrator operations were satisfactory but a lower copper recovery was achieved due to higher acid soluble grades in the ore received.

Operations at Kansanshi were satisfactory, with an improved mining rate being achieved and a greater tonnage being treated at the Chingola concentrator this year.

BROKEN HILL DIVISION

This Division had a poor year. Down-time in the Waelz Kiln plant and in the Imperial Smelting Furnace Plant (ISF) was appreciably higher than last year. Concentrate grades to the kilns were lower because readily recoverable stocks of mixed fines tailings were exhausted and there were more numerous stoppages for repairs to kiln refractory brickwork. At the ISF Plant, the depletion of coke stocks in May, further failures in the recuperator blast air preheater and failures of condenser refractories resulted in a number of extended furnace outages.

Acid supplies to Broken Hill from Rokana Division had to be reduced during the last quarter of the year, with a consequent reduction in the production of Sable 2 Zinc.

At the Nampundwe mine, work continued on the improvement of shaft and plant facilities in readiness for the planned increases in pyrite concentrate production to meet the requirements of new acid plants.

In summary, therefore, it has been another *difficult year with* various shortages hampering production at all Divisions and maintenance work being affected by the continuing shortfall in the number of skilled and experienced personnel.

Major Projects

COBALT

Last year, I reported on the existence of zones of cobalt enrichment both underground and below NOP current workings at Chingola and the Company's plans for cobalt production from these sources. I am pleased to say that scheduled progress on drilling, development and on plant construction was achieved.

A detailed exploratory programme in the NOP was completed and the results confirmed the tonnage and grade of treatable cobalt reserves previously indicated. The planned future NOP mining plan was, therefore, revised to permit the extraction of this material at an even rate. Production from this source will commence in 1983. The first block of cobalt-rich ore in the underground mine was caved and production from this source started on schedule in January, 1980.

The new cobalt section of the Konkola concentrator was successfully commissioned in December, 1979. Subsequent trial milling and flotation tests were satisfactory.

During initial development below the 2 200 level at No. 1 Shaft at Konkola, a zone of cobalt mineralisation was discovered. It is too early for a definite assessment of potential reserves to be made but plant scale trials on segregated development ore have confirmed that satisfactory recoveries to a concentrate suitable for treatment in the new Rokana roast-leach-electrowin (RLE) plant can be achieved. Plans for the exploitation of this resource provide for the stockpiling of concentrates ahead of the commissioning of the RLE plant.

Progress on the construction of the new plant at Rokana, under the supervision of Zambia Engineering Services Limited, was satisfactory. Piling has now been virtually completed. In addition, the civil engineering programme is on schedule and the major erection contracts are being let. Some items of capital equipment ordered from overseas have already arrived on site. There is, therefore, every indication that the original target *completion date of February, 1982 will be either met or improved upon.*

Satisfactory progress is also being maintained on the modifications being made to the existing cobalt plant at the same Division.

ACID

Production of sulphuric acid at Rokana, the only acid producer in Zambia, is dependent upon the quantity of sulphur contained in matte going to the converters and on the availability of the three existing acid plants. Throughput and availability were lower and acid production fell from a peak of over 300 000 tonnes per annum to approximately 250 000 tonnes per annum. Despite this, *the Company maintained full supplies of acid, totalling approximately 30 000 tonnes per annum,* to all the other Zambian consumers. This left the Company about 220 000 tonnes of acid for its own use compared with its present requirements of some 270 000 tonnes. The shortfall has, inevitably, limited copper and zinc production.

The decision has been taken, therefore, to construct a fourth acid plant, with a nominal capacity of 100 000 tonnes per annum, at Rokana, at a cost of some K35 million. The primary feed to the plant will be cobalt roaster and smelter gases and pyrite, which is to be mined and concentrated at the Nampundwe mine currently being expanded for the purpose. A sulphur burning facility will also be provided to maximise output.

Negotiations for the supply and financing of the new plant, which will be commissioned in December, 1982, have been successfully concluded. In the meantime, the other major consumers of acid have been advised of the Company's critical acid supply situation and its future inability to meet their full acid requirements.

TAILINGS LEACH STAGE III

During the year, fresh studies were undertaken to bring an earlier evaluation of the Tailings Leach Stage III project up to date, with the aim of starting production at an early date. It may be possible to incorporate certain additional improvements into the plant.

Transport

Both rail and road transport faced serious problems during the year under review. The worst affected was the Tanzania Zambia Railway (TAZARA): it experienced a ballast wash-away, due to heavy rains in Tanzania, and also suffered further disruption in the movement of exports and imports during the second half of the year as a result of the damage caused to bridges in Zambia.

I am, however, happy to report that, despite these setbacks, metal stocks at mine were maintained at acceptable levels, chiefly due to the availability of the southern route and the commendable efforts made by the Zambia Tanzania Road Services (ZTRS). Unfortunately, the volume of imports through Dar es Salaam was higher than TAZARA and ZTRS were able to move. Consequently, serious congestion developed at the port.

Metal Markets

Despite fears of a recession and an apparent slow-down in the industrial activity in the major copper consuming countries, Western World consumption of refined copper remained strong *throughout 1979 and grew by 5.6 per cent to 7 672 000 tonnes* over the 1978 level. Refined copper production, on the other hand, rose by about 2.5 per cent to 7 054 000 tonnes. The resulting net supply deficit of approximately 600 000 tonnes was nearly double the 1978 shortfall of 370 000 tonnes and was largely responsible for the reduction in world copper stocks from 1 529 000 tonnes, at the end of the 1978/79 financial year, to an estimated 1 310 000 tonnes at the end of the last financial year. The bulk of the reduction occurred in the London Metal Exchange (LME) warehouse stocks. Since the end of the financial year, stocks have remained fairly constant.

In the final quarter of 1979, there was a dramatic upsurge in the prices of gold and silver which provided a strong speculative influence on base metal markets. International political uncertainties and a general distrust of paper currencies reinforced this boom. Consequently, copper prices rose and peaked at £1 375 (K2 412) per tonne on 11th February, 1980. However, the boom in precious metals proved to be short-lived and so copper prices slumped to £941 (K1 672) per tonne by 31st March, 1980. Nevertheless, copper prices during the financial year under review *improved to an average cash settlement price of £991 (K1 705)* per tonne compared to £837 (K1 308) per tonne for the previous financial year.

The producers' reaction to the higher copper prices in 1979 was swift so that many of the mines, which were closed during the 1974-1978 recession, were reopened. In addition, the increase in secondary copper output further augmented the world copper supplies. Consequently, the 1979 supply deficit in the world copper market gradually moved into a small surplus situation. Most forecasters are now predicting an overall surplus of 200 000 tonnes for 1980.

As I write, the Western world is moving into a recession. Regrettably, most industrialised nations have responded by *adopting restrictive monetary, fiscal and exchange rate policies* which will, inevitably, serve to dampen the growth in consumer spending and investment. Under these circumstances, prospects for the [illegible] year and probably the next are not encouraging. This is regrettable because of the serious effects which previous slumps have had, particularly on developing countries. I am sorry that the agreement reached in February, 1979 in Geneva on the U.S.$750 million fund aimed at stabilising the prices of various commodities and materials, including copper, has not produced any tangible results. On the contrary, there has been a serious divergence of views between the copper producing and consuming nations at the United Nations Conference on Trade and Development meetings held since the accord I referred to last year.

In view of the uncertainties about world economic prospects for the future, the need for negotiations and an understanding between producers and consumers is more important now than ever. It is my sincere hope that some fruitful discussions will be possible soon and that positive action will be taken to ensure *stable copper prices.*

Demand for cobalt remained strong up to the middle of 1979. However, due to high interest rates and the recession in the major consuming countries, a decline set in towards the end of that year in almost all sectors except the high temperature alloys.

In order to instil confidence in consumers, the two major cobalt producers agreed, in January, 1980, that the price of U.S.$25 per lb. would be maintained until the end of the year.

Finance

The overall rising profit trend experienced last year continued during the year under review. As a result, the average realisation price for copper was K1 690 per tonne compared to K1 159 per *tonne for the previous year.*

The accounts for the year yielded a profit before taxation of K131.2 million. There was a charge of K75 million for taxation which left an after tax profit of K56.2 million.

Since the taxation recoverable in previous years has now been absorbed, normal tax payments by the company will commence during 1980.

As a direct consequence of the further improvement in the company's finances, it became possible to partially relax the restrictions, which your Management imposed a few years ago, on capital expenditure. Accordingly, K63.2 million was spent. The cobalt project financing was completed in December, 1979 and I am pleased to report that progress on the project is well under way.

In spite of its improved liquidity in Kwacha terms, the Company is still experiencing difficulty in obtaining foreign exchange for the purchase of necessary spares and equipment.

Outstanding loans were reduced by K34 million to K229 million by 31st March, 1980.

The past few years have been characterised by rising inflation, which has adversely affected companies such as yours. Your management, I am glad to report, have undertaken a study of this phenomenon with a view of finding appropriate measures for the continued viability of the company.

I am happy to report that for the first time since November, 1974, your Company has been able to pay a dividend of K9 300 000 to the "A" and "B" shareholders. In order to strengthen the financial position of the Company, an amount of *K46.9 million* has been appropriated to general reserve. This retention was decided upon in the light of the Company's higher capital expenditure over the financial year under review, its future programme of capital expenditure and the increased working capital requirements due to the continuing inflation.

Personnel

I am happy to report that the Company's excellent record in industrial relations was maintained. I wish to take this opportunity, therefore, to thank the Mine Workers Union of Zambia for its good leadership and all the workers for their co-operation which have contributed to the industrial peace enjoyed by the Company.

I hope the substantial improvements made by the Company to the supplementary, retirement and resignation gratuity scheme for its local employees and to the conditions of service for expatriate general payroll employees will lead to improved morale and efficiency in the Company.

The pace of training Zambians continues although the Company is still experiencing shortages of trained personnel to spearhead the Company's efforts in many fields.

Since the year end, Mr. M. W. Stephenson, Technical Director of the Company since January, 1976, has ceased to be seconded to the Company. In thanking him for his contribution to the Company, I wish Mr. Stephenson and his family every success for the future.

Mr. T. A. D. Moskwa, who has been with the Company for 30 years, has succeeded Mr. Stephenson as Technical Director. Considering the challenging times your Company is facing, Mr. Moskwa has a difficult task ahead of him and I am sure that you will join me in wishing him every success in his new task. I also welcome the appointment of Mr. J. Pope as Consulting Engineer of the Company. In his new post, Mr. Pope, who has spent the past 28 years in our industry, will work very closely with Mr. Moskwa at the head of our Technical team.

Directorate

Mr. J. A. Holmes has succeeded Mr. M. W. Stephenson as a "B" Director on the Board of the Company. Mr. Holmes is no newcomer to the Company, having served the Company as Chief Consulting Metallurgist before he left in October, 1974. I welcome his return.

Future Prospects

The economic outlook for the short-term is full of uncertainties due to the economic recession. Unfortunately, measures which have been adopted to cure the ills in the world economy may not be effective in the short-term. However, I believe that in the longer-term, an upturn in industrial activity can be foreseen.

I am pleased to report that the attainment of independence in Zimbabwe will give the Company more flexibility in the routing of its cargo. Furthermore, with the cessation of political tensions, following the ending of the liberation war, Zambia has an *opportunity to enjoy relative peace and concentrate on its economic* development. In this connection, it is worth noting that the introduction of the Third National Development Plan almost coincided with the normalisation of the situation in Zimbabwe.

As far as your Company is concerned, I see us contributing significantly to the success of the Plan, for the copper mining industry is still the mainstay of the Zambian economy. It is, therefore, important that the mining industry operates efficiently and maintains the highest possible levels of profitability to enable it to contribute funds which the Government can use for the development of agriculture and related industries.

Last year, I cautioned against any premature relaxation of the harsh discipline to which we had subjected ourselves over the previous few years and which had enabled your Company to survive the recent hardships. As I write, the price of copper has fallen quite dramatically from the high levels it attained early this year. I cannot foretell what the future price of copper is going to be. Consequently, strict discipline and efficiency must continue.

I would like to take this opportunity to thank employees at *all levels for their contribution over the past year.* I am confident that, with their loyalty and dedication, we shall continue to improve our position in the future despite the difficulties which may lie ahead of us.

MINING NEWS

Golden Grove's latest assays

BY KENNETH MARSTON, MINING EDITOR

IS GOLDEN GROVE again going to be a name to conjure with in Australian mining circles? It is not another gold prospect, as its name implies, and it is not new. It is a copper-zinc find some 225 kilometres east of Geraldton in Western Australia and it excited a good deal of interest in 1974 when it was being examined by EZ Industries under a farm-out deal with America's Amax.

Golden Grove has come back into the news again with the report that further significant copper and zinc mineralisation has been found in the area, this time at the Scuddles prospect some 4 kilometres north of the original discovery at Gossan Hill which showed some 15.5m tonnes of ore containing a relatively high grade of 3.59 per cent copper.

EZ says that drilling of 18 holes at Scuddles has given results ranging up to an ore width (thickness) of as much as 27.4 metres assaying 2.4 per cent copper and 11.9 metres grading 3.1 per cent zinc. In a separate zone to the west EZ has hit a width of 6 metres grading a high 25.5 per cent zinc with 2.4 per cent lead and 221 grammes per tonne silver.

Two other holes gave values of: 10 metres grading 19.8 per cent zinc, 1.7 per cent lead and 150 grammes silver; 28.8 metres running 12.5 per cent zinc, 0.8 per cent lead and 92 grammes silver.

EZ adds that Esso Australia is continuing drilling to define the limits of the higher grade copper and zinc mineralisation, pointing out that it is too early to estimate the size of the deposit.

Esso, EZ and Amax each have a 31.16 per cent stake in Golden Grove with the remaining 6.5 per cent held by Aztec Exploration. It is believed that Aztec is a subsidiary of Golden Grove, the shares of which were last quoted in London at around 24p.

Australian move to promote Ranger deal

THE AUSTRALIAN Government plans to amend the Atomic Energy Act to help clear the way for potential Swiss, German and Japanese interests to join in the development of the Ranger uranium deposits in the Northern Territory, reports James Forth from Sydney. It would also clear the way for the Government to sell its existing 50 per cent stake in Ranger.

As already announced, Peko-Wallsend and EZ Industries, which own 50 per cent of Ranger, propose to form a new company, Energy Resources of Australia, which would acquire the Government stake and then introduce foreign participants with about 15 per cent to be offered to Australian public investors.

ERA was expected to be floated early this year but has run into a number of delays. The proposed amendments could further delay the float and possibly upset the schedule to start production of about 3,000 tonnes of uranium oxide a year by 1982 rising eventually to 6,000 tonnes a year.

The Atomic Energy Act at present specifies that the Government may authorise other parties to carry on operations at Ranger "on behalf of or in association with the Commonwealth."

Some of the overseas partners queried whether ERA could strictly be interpreted as acting on behalf of the Commonwealth once the Government sold its interest, and refused to commit themselves without an amendment.

The Government has agreed and plans to pass the amendments through the Labour opposition, which is against uranium mining until it is certain about safeguards.

A Federal Election is due by the end of the year and the Government is anxious to push the amendments through before then. Failure to do so could further delay the Ranger project by several months.

How the Canadian brokers see it

WHILE so much of the UK mining investment interest seems to be concentrated on the Australians, it is worth bearing in mind that Canada also has much to offer.

Among the latest comments from the stockbroking firms there, MacDougall, MacDougall and MacTier take a hopeful view of the longer term North American economic prospects and feel that the recession there could begin to moderate in the third quarter.

At the same time, they do not look for any strong recovery next year, but with the possibility of U.S. tax cuts they expect continuing inflation. Because of this they rate gold mining shares as prime investments. They also believe that mining shares generally will advance strongly in the 1980s and look for buying opportunities in the next three months.

Their recommendations include: Noranda, Inco, Teck, Placer Development, Hudson Bay Mining and Smelting, Campbell Red Lake and Pamour Porcupine.

Stockbrokers Dominick Corporation like Lornex Mining which they feel has the potential for *good capital gain over the next two years,* pointing out that the company (in which Rio Tinto-Zinc has a 34.9 per cent beneficial interest) of being capable of operating at a copper price of less than 75 cents *(Canadian) per lb compared with* about C$1.124 at present.

In their view of the Canadian mining market Moss, Lawson and Co. of Toronto favour Inco, Noranda and Falconbridge Nickel in terms of "investor appeal." Placer and Teck are recommended for the companies' diversification and expansion.

Gold shares liked include Dome, Campbell Red Lake, Dickenson and Camflo. In silver, Equity and United Keno are preferred. Of base metals, lead's "favourable prospects" are cited in the cases of Pine Point and Cominco. Alcan is the choice in the aluminium industry and for believers in uranium, Rio Algom are rated for purchase and Denison as a hold.

OIL AND GAS NEWS

Warrior finds oil-gas in the U.S.

BY STEPHEN THOMPSON

Warrior Resources and Double Eagle Energy and Resources, two Canadian-based oil exploration companies, have discovered oil and gas in the first of their *nine separate exploration prospects* in Oklahoma in the U.S.

The discovery was made at the Gill No. 1 well in Seminole County where production testing of two separate zones resulted in commercial hydrocarbon production from both.

Gill No. 1 was drilled to a total depth of 4,395 feet and casing set to 3,505 feet.

A 24-hour test of the interval between 3,360 and 3,366 feet in the lower Cromwell zone produced dry gas at a stabilised rate of 2.5m cubic feet a day, while a 24 hour test of the upper Cromwell zone between 3,271 and 3,275 feet produced 37 degree gravity oil at a rate of 340 barrels a day and gas at a rate of 1.75m cubic feet a day.

A third upper zone, the Gilcrease, appears from logs, drill cuttings and drill stem tests to be oil productive, but was not production tested in this well as the Gill No. 1 will be placed on production from the upper Cromwell zone.

Oil and gas contracts are now being negotiated and development drilling is underway.

Warrior and Double Eagle, together with their partner, Simasko Production, hold around 340 acres surrounding the discovery and are acquiring extra acreage in the area which should result in five or more development wells.

A second exploratory well, Klutts No. 1, located 22 miles north west of Gill No. 1, is drilling below 4,000 feet and testing should commence within the next few days.

Shares of Warrior and Double Eagle, which are both registered in Vancouver, British Columbia, are traded in London under rule 163(1)(e).

* * *

Reynolds Diversified Corporation, a U.S. registered natural resources company with extensive interests in Australia and the U.S., has entered into an agreement with Australia's Northland Minerals to earn an 80 per cent interest in an oil and gas concession in the Emirate of Ajman. The Emirate of Ajman is part of the Union of Arab Emirates.

The deal is *subject to the* approval of the Government of the emirate. Under the terms of the agreement Reynolds will pay US$100,000 to the Government of Ajman and undertake to complete a geophysical survey, at Reynolds' cost, within six months. Reynolds expects the cost of the surveys to come out at approximately US$300,000.

At the end of the survey period Reynolds may elect to commence an exploration programme and must inform the Government of Ajman accordingly and sign and execute a contract with the Government.

If Reynolds goes ahead with the programme it may earn a further 15 per cent interest in the concession by completing a two well programme and meeting terms and conditions in any contract with the Ajman Government.

The concession is located 12 miles south of the Mubarek field which has a rated capacity of 50,000 barrels of oil a day and has been producing since 1974.

CURRENCIES, MONEY and GOLD

£ & $ steady

Trading was generally dull and uneventful in foreign exchange markets yesterday, with major currencies trading within relatively narrow bands. Sterling was unchanged on the day, and its trade weighted index remained at 75.5 for all three of the day's calculations, the same as Friday's close. Against the dollar it finished at $2.3715-$2.3725, unchanged from Friday. It opened at $2.3745-2.3755, which was its best level of the day, but eased back on early dollar demand to $2.3700. It recovered to $2.3740 at one point before slipping to its lowest level of the day, just before noon to $2.3680. For most of the afternoon it traded around the $2.3700 level. There was little reaction to the latest set of economic indicators, with July's disappointing Central Government borrowing requirement figures countered by a fall in the Wholesale Price Index.

The dollar recorded mixed changes against other currencies, falling to DM 1.7825 against the D-mark from DM 1.7840 on Friday, but rising to FFr 4.1310 from FFr 4.1235 in terms of the French franc. The franc may have been depressed by concern over France's present economic performance, and a slight easing in French domestic rates. Elsewhere the dollar slipped to SwFr 1.6460 from SwFr 1.6490, and Y225.75 from Y226.25 against the Japanese yen. On Bank of England figures, the dollar's trade weighted index was unchanged at 84.5.

D-MARK—One of the weaker members of the European Monetary System of late, and showing a tendency to ease against the dollar following the turnaround in U.S. interest rates. Over the past few months tight Bundesbank monetary policy and the sharp fall in U.S. rates led to a decline of the dollar against the German currency. The D-mark was generally weaker in Frankfurt yesterday, with the dollar fixed at DM 1.7873 against DM 1.7846 on Friday, and sterling at DM 4.2340 compared with DM 4.2280. The Dutch guilder and Belgian franc were also stronger, while the Swiss franc eased to DM 1.0821 from DM 1.0832½. The dollar's improvement reflected a slight hardening in Euro-dollar rates from Friday, while sterling remained attractive on high interest rates and North Sea oil.

DANISH KRONE — Maintaining a steadier tendency within the EMS recently, following the improvement in Denmark's balance of payments. The currency was twice devalued in 1979—The krone showed mixed changes at yesterday's fixing in Copenhagen, losing ground to the dollar, sterling and the Dutch guilder, but improving in terms of the French franc, D-mark and Belgian franc. Demand for the Danish unit helped to offset the effects of sterling and the U.S. dollar's strong undertone. The dollar was fixed at DKr 5.5250 against DKr 5.5210 on Friday, and sterling was higher at DKr 13.0920 from DKr 13.0720. On the other hand the French franc slipped to DKr 1.3375 from DKr 1.3385, and the D-mark was lower at DKr 3.0915 compared with DKr 3.0950.

JAPANESE YEN — Showing weaker trend once again after marked recovery on the downward trend in U.S. interest rates. Last year fears about energy supplies and balance of payments problems severely depressed the currency—The yen showed little change in quiet Tokyo trading yesterday, with the dollar closing at Y226.50, slightly down from an opening level of Y226.80 and Friday's close of Y226.65. The U.S. unit was quoted early on at Y227.35 but came back to finish close to its lowest level of the day.

THE POUND SPOT AND FORWARD

Aug. 11	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.3680-2.3765	2.3715-2.3725	1.52-1.42c pm	7.44	3.67-3.57 pm	6.10
Canada	2.7410-2.7530	2.7510-2.7520	1.70-1.60c pm	7.20	4.18-4.08 pm	5.86
Nethlnd.	4.59½-4.63½	4.60½-4.61½	3⅛-2⅛c pm	6.84	8-7 pm	6.51
Belgium	67.30-67.70	67.40-67.50	30-20c pm	4.45	68-58 pm	3.74
Denmark	13.04-13.11	13.05-13.06	par-1½ore dis	−0.69	4¾-6¼ dis	−1.69
Ireland	1.1175-1.1225	1.1200-1.1210	0.04-0.09p dis	−0.70	0.03-0.08 dis	−0.20
W. Ger.	4.22-4.25½	4.22½-4.23½	3⅜-2⅜pf pm	8.87	9-8 pm	8.04
Portugal	117.10-117.75	117.35-117.55	38c pm-11 dis	1.36	61 pm-59 dis	0.03
Spain	170.70-171.20	171.00-171.10	5c pm-50 dis	−3.16	100-180 dis	−3.27
Italy	1994-1999	1997-1998	13½-16½lire dis	−8.86	48-51 dis	−9.91
Norway	11.52½-11.57½	11.53¾-11.54¾	4-2½ore pm	3.38	14½-12¾ pm	4.64
France	9.78-9.82	9.79½-9.80½	5¼-4¼c pm	5.82	13¾-12¼ pm	5.20
Sweden	9.87½-9.91½	9.88½-9.89½	3½-2¾ore pm	3.72	7¼-6¼ pm	2.73
Japan	534-540	535¾-536¾	2.70-2.35y pm	5.66	7.45-7.05 pm	5.41
Austria	29.95-30.05	29.97-30.02	16-14gro pm	6.00	41½-36½ pm	5.20
Switz.	3.89½-3.93	3.90¼-3.91¼	4¼-3¼c pm	11.52	11⅛-10⅝ pm	10.88

Belgian rate is for convertible francs. Financial franc 67.80-67.90. Six-month forward dollar 5.60-5.50c pm. 12-month 7.70-7.60c pm.

THE DOLLAR SPOT AND FORWARD

Aug. 11	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.3680-2.3755	2.3715-2.3725	1.52-1.42c pm	7.44	3.67-3.57 pm	6.10
Ireland†	2.1130-2.1190	2.1160-2.1190	1.30-1.20c pm	7.09	3.20-3.10 pm	5.96
Canada	1.1576-1.1604	1.1577-1.1580	0.02c pm-0.02 dis	—	0.06-0.10dis	−0.28
Nethlnd.	1.9410-1.9455	1.9424-1.9434	0.05c pm-0.05 dis	—	0.30-0.20pm	0.51
Belgium	28.43-28.50	28.43-28.45	5½-7c dis	−2.64	14-16 dis	−2.11
Denmark	5.5075-5.5185	5.5075-5.5090	3½-4ore dis	−8.17	10½-11 dis	−7.81
W. Ger	1.7820-1.7880	1.7820-1.7830	0.23-0.18pf pm	1.38	0.94-0.89 pm	2.05
Portugal	49.40-49.65	49.47-49.57	15-35c dis	−6.06	50-100dis	−6.06
Spain	72.05-72.20	72.10-72.15	40-60c dis	−8.32	150-180 dis	−9.15
Italy	842.10-843.25	842.60-843.00	11-12½lire dis	−16.73	34-36 dis	−16.61
Norway	4.8630-4.8705	4.8635-4.8650	1.10-1.60ore dis	−3.33	1.40-1.90 dis	−1.36
France	4.1285-4.1340	4.1300-4.1315	0.42-0.52c dis	−1.36	0.77-0.92dis	−0.82
Sweden	4.1665-4.1740	4.1700-4.1710	1.45-1.60ore dis	−4.39	3.80-3.95 dis	−3.72
Japan	225.50-226.80	225.70-225.80	0.20-0.35y dis	−1.46	0.35-0.50 dis	−0.75
Austria	12.63¾-12.66¾	12.64-12.65	1.20-1.80gro dis	−1.42	2.00-3.75 dis	−0.91
Switz	1.6450-1.6545	1.6455-1.6465	0.60-0.55c pm	4.19	2.05-2.00 pm	4.92

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY MOVEMENTS

Aug. 11	Bank of England Index	Morgan Guaranty Changes%
Sterling	75.5	−30.7
U.S. dollar	84.5	−9.1
Canadian dollar	81.3	−16.7
Austrian schilling	166.6	+24.3
Belgian franc	116.1	+14.0
Danish kroner	107.3	−4.2
Deutsche mark	154.9	+43.9
Swiss franc	197.9	+79.0
Guilder	126.2	+20.0
French franc	101.7	−5.6
Lira	53.2	−51.2
Yen	126.0	+24.0

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

CURRENCY RATES

Aug. 8	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	16	0.555103	0.597915
U.S. $	10	1.31465	1.41706
Canadian $	10.31	1.52079	1.63982
Austria Sch	6¾	16.6251	17.9258
Belgium F	12	37.4544	40.3649
Danish K	13	Unavail.	7.82004
D'mark	7½	2.34612	2.53200
Guilder	9	2.55568	2.75533
French Fr.	9½	5.42556	5.85104
Lira	15	1106.28	1192.46
Yen	9	298.163	321.106
Norwgn. Kr.	9	6.40037	6.90320
Spanish Pta.	8	94.7994	102.453
Swedish Kr.	10	5.48275	5.91792
Swiss Fr.	3	2.16917	2.33928

OTHER CURRENCIES

Aug. 11	£	$		£ Note Rates
Argentina Peso	4474-4494	1889-1896	Austria	29.85-30.15
Australia Dollar	2.0500-2.0540	0.8650-0.8655	Belgium	67.55-68.10
Brazil Cruzeiro	126.95-127.95	53.68-53.88	Denmark	13.00-13.10
Finland Markka	8.65-8.66½	3.6500-3.6510	France	9.75-9.82
Greek Drachma	101.682-104.140	42.75-42.95	Germany	4.22-4.25
Hong Kong Dollar	11.73½-11.75	4.9520-4.9540	Italy	1955-2070
Iran Rial	n.a.	n.a.	Japan	537-542
Kuwait Dinar(KD)	0.633-0.639	0.2680-0.2681	Netherlands	4.59½-4.62½
Luxembourg Frc.	67.40-67.50	28.43-28.45	Norway	11.49-11.59
Malaysia Dollar	5.0875-5.0995	2.1470-2.1490	Portugal	113-117
New Zealand Dlr.	2.4215-2.4265	1.0215-1.0225	Spain	166-172¼
Saudi Arab. Riyal	7.83-7.89	3.3160-3.3210	Sweden	9.84-9.94
Singapore Dollar	5.0425-5.0545	2.1280-2.1300	Switzerland	3.90-3.93
Sth. African Rand	1.8040-1.8050	0.7605-0.7610	United States	2.36½-2.37¾
U.A.E. Dirham	8.71-8.77	3.6860-3.6910	Yugoslavia	63½-69¾

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU August 11	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.3658	+1.45	+0.37	±1.53
Danish Krone	7.72336	7.81600	+1.20	+0.12	±1.64
German D-Mark	2.48208	2.53090	+1.97	+0.89	±1.125
French Franc	5.84700	5.85439	+0.13	−0.95	±1.3557
Dutch Guilder	2.74362	2.75391	+0.38	−0.70	±1.512
Irish Punt	0.668201	0.670059	+0.28	−0.80	±1.668
Italian Lira	1157.79	1194.40	+3.16	+2.34	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EXCHANGE CROSS RATES

Aug. 11	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.372	4.230	535.8	9.800	3.908	4.608	1998.	2.752	67.45
U.S. Dollar	0.422	1.	1.783	225.9	4.132	1.647	1.942	842.1	1.160	28.44
Deutschemark	0.236	0.561	1.	126.7	2.317	0.924	1.089	472.2	0.650	15.95
Japanese Yen 1,000	1.867	4.427	7.895	1000.	18.29	7.294	8.600	3728.	5.136	125.9
French Franc 10	1.020	2.420	4.316	546.7	10.	3.987	4.702	2038.	2.808	68.83
Swiss Franc	0.256	0.607	1.083	137.1	2.508	1.	1.179	511.2	0.704	17.26
Dutch Guilder	0.217	0.515	0.918	116.3	2.127	0.848	1.	433.5	0.597	14.64
Italian Lira, 1,000	0.501	1.187	2.118	268.2	4.906	1.956	2.307	1000.	1.377	33.77
Canadian Dollar	0.363	0.862	1.537	194.7	3.562	1.420	1.675	726.0	1.	24.51
Belgian Franc 100	1.483	3.517	6.271	794.3	14.53	5.793	6.831	2961.	4.079	100.

FT LONDON INTERBANK FIXING (11.00 a.m. AUGUST 11)

3 months U.S. dollars		6 months U.S. dollars	
bid 10 5/8	offer 10 1/2	bid 10 15/16	offer 10 15/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris, and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market Closing Rates)

Aug. 11	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	16-16¼	9⅛-9⅜	8-10	9⅞-10⅛	8¾-9¼	8 11/16-8 15/16	11-11¼	14-18	9¼-9⅜	10¾-11
7 days' notice	16⅝-16⅞	9¼-9½	8-10	9⅞-10⅛	6-6½	8 11/16-8 15/16	11-11¼	21-25	9⅜-9½	10⅞-11⅛
Month	16½-16¾	10⅝-9⅞	9⅝-10⅝	9¾-9⅞	5¾-5⅞	8½-8⅝	11-11¼	24-26	9 7/16-9 9/16	11¼-11½
Three months	16½-16¾	10¼-10½	10⅜-10¾	9⅝-9¾	5 7/16-5 11/16	8⅝-8 13/16	11-11¼	24½-27	10 [illegible]	10⅞-11⅛
Six months	15⅞-16⅛	10 13/16-11 1/16	10⅝-11	9⅜-9½	5 5/16-5 9/16	7⅞-8	11⅛-11⅜	25-26½	10⅝-10¾	10⅝-10⅞
One Year	14⅝-14⅞	10⅞-11⅛	10¾-11⅛	9⅜-9½	5⅛-5¼	7 [illegible]	11⅜-11⅝	22-23½	10 [illegible]	9¾-10

Long-term Eurodollar two years 11¼-11½ per cent; three years 11½-11¾ per cent; four years 11¾-12 per cent; five years 12-12¼ per cent; nominal closing rate. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen; others two-days' notice. Asian rates are closing rates in Singapore.
The following nominal rates were quoted for London dollar certificates of deposit: one-month 9.75-9.85 per cent; three-months 9.85-9.95 per cent; six-months 10.10-10.20 per cent; one year 10.30-10.40 per cent.

INTERNATIONAL MONEY MARKET

Paris rates ease

Short term money rates continued to decline in Paris yesterday, reflecting the full credit supply situation after last week's injection of FFr 5.2bn into the market by the central bank. Call money fell to 11⅛ per cent from 11¼ per cent, and now stands at its lowest level since last September. However there seems little likelihood of further cuts in key lending rates, according to market sources, before the next meeting of West Germany's Bundesbank central council. This is scheduled for August 21, and any change in interest rates may well depend on what action, if any, the Bundesbank takes. The recent downward trend in rates has not appeared to have had any effect on the French franc, which remains the most improved currency within the European Monetary System.

In Frankfurt short term rates were firmer, and call money stood at 9.225 per cent against 9.15 per cent on Friday, with funds being drained from the market by the repayment of the DM 3.8bn pension facility. The market also has to face tax payments before the middle of the month, and so far the Bundesbank has not introduced any further facilities to inject liquidity into the market. However borrowing through the lombard facility stands at a nominal DM 100m and there is still DM 5.4bn current through pension facilities, leaving market conditions relatively easy at the moment.

UK MONEY MARKET

Small help

Day-to-day credit was in short supply in the London money market yesterday, and the authorities gave assistance on a small scale. This comprised small purchases of Treasury bills direct from the discount houses and small loans to three or four houes at MLR, for repayment today.

The market was helped by the release of supplementary special deposits as a result of the removal of the corset and a further sale and repurchase facility on gilt stocks. This was countered by the unwinding of a previous sale and repurchase agreement, and the net effect of these was a moderate injection of funds into the market. However, this was outweighed by a small net take up of Treasury bills to finance and the repayment of Friday's small market advances. In addition, banks brought forward balances a moderate way below target.

In the interbank market overnight money opened at 15⅝-15⅞ per cent, and fluctuated between 15¼ per cent and 16¼ per cent before rising at the close to 17-18 per cent.

GOLD

Weaker tendency

Gold lost $16 an ounce in the London bullion market yesterday to close at $616-619. It opened at $621-624 and started to ease just before the morning fixing, reaching a low of $612-613½ just before lunch. Trading was generally quiet and uneventful, with little in the way of fresh factors to stimulate much movement.

In Paris the 12½-kilo bar was fixed at FFr 82,700 per kilo ($622.21 per ounce) compared with FFr 82,200 ($614.50) in the morning and FFr 84,250 ($634.95) on Friday afternoon.

In Frankfurt the 12½-kilo bar was fixed at DM 35,450 per kilo ($617.04 per ounce) against DM 36,250 ($631.95) previously, and closed at $616-619 compared with $629-632 on Friday.

In Zurich gold finished at $615-618 per ounce against $631-634 previously.

	Aug. 11		Aug. 8	
Gold Bullion (fine ounce)				
Close	$616-619	(£259¾-261¼)	$632-635	(£266¼-267¾)
Opening	$621-624	(£262-263½)	$632-635	(£266¼-267¾)
Morning fixing	$614.50	(£259.159)	$631.25	(£266.463)
Afternoon fixing	$617	(£260.041)	$630	(£265.621)
Gold Coins				
Krugerrand	$635-637	(£267½-269½)	$652-654	(£274½-276½)
Mapleleaf	$629-633	(£265¼-267¼)	$646½-648½	(£271¾-273¾)
New Sovereigns	$156-157	(£65¾-66¾)	$160-161	(£67¼-68¼)
King Sovs	$184½-186½	(£77¾-78¾)	$186½-188	(£78½-79½)
Victoria Sovs	$184½-186½	(£77¾-78¾)	$186½-188	(£78½-79½)
French 20s	$160-163		$160-163	
50 pesos Mexico	$764-769		$781-784	
100 Cor. Austria	$603-606		$616-621	
$20 Eagles	$745-749		$751-754	
$10 Eagles	—		—	
$5 Eagles	—		—	

MONEY RATES

NEW YORK

Prime Rate	11
Fed. Funds	9¼-9½
Treasury Bills (13-week)	8.70
Treasury Bills (26-week)	8.80

GERMANY

Discount Rate	7.5
Overnight Rate	9.225
One month	9.325
Three months	9.20
Six months	8.70

FRANCE

Discount Rate	9.5
Overnight Rate	11.125
One month	11.0625
Three months	11.0625
Six months	11.0625

JAPAN

Discount Rate	9.0
Call (Unconditional)	12.375
Bills Discount (three-month)	12.6875

LONDON MONEY RATES

Aug. 11 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills Φ	Eligible Bank Bills Φ	Fine Trade Bills Φ
Overnight	—	16¼-18	—	—	—	16¼-16½	15-16	—	—	—
2 days notice	—	—	16¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	16⅛-16¼	16⅝	—	16⅝	16¾	15½-15⅝	—	—	—
One month	16½-16⅝	16 1/16-16 3/16	16⅝-16 11/16	17¾-18⅛	16 11/16	16¾-16⅞	15⅝	14 [illegible]	16⅝	17
Two months	16 [illegible]-16¼	16 [illegible]-16 [illegible]	—	17⅛-17⅝	16 [illegible]	—	15¼-15½	14 [illegible]	16 [illegible]	16¾
Three months	16 [illegible]-16⅛	16 [illegible]-16 [illegible]	16¼-16⅜	16⅝-16⅞	16 [illegible]	16¾	15-16⅛	14⅞-14 [illegible]	15⅝-15 [illegible]	16¼
Six months	15 [illegible]-15 [illegible]	15 [illegible]-15 [illegible]	15¾-16½	15⅞-16⅝	16	16½	—	—	14 [illegible]-14⅝	15¼
Nine months	14 [illegible]-14¾	15⅛-15¼	—	14⅞-15⅜	15½	15¾	—	—	—	—
One Year	14¼-14 7/16	14 7/16-14⅝	13¾-14	14¼-14⅝	14⅞	16	—	—	—	—
Two years	—	—	13¼-13⅞	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rate nominally three years 13¼-13½ per cent; four years 13½-13¾ per cent; five years 13½-13¾ per cent. Φ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 15 9/16 per cent; four-month trade bills 16¼ per cent.
Approximate selling rate for one-month Treasury bills 14 23/32-14 25/32 per cent; two-month 14 25/32-14 27/32 per cent; three months 14¾-14 13/16 per cent. Approximate selling rate for one-month bank bills 16¼ per cent; two months 16 3/16 per cent; three months 15 27/32-15 29/32 per cent; one-month trade bills 16¾ per cent; two-months 16½ per cent; and three-months 16 per cent.
Finance Houses Base Rates (published by the Finance Houses Association) 16½ per cent from August 1, 1980. Clearing Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 16 per cent. Treasury Bills: Average tender rates of discount 14.9564 per cent.

WORLD VALUE OF THE POUND

The table below gives the latest available rates of exchange for the pound against various currencies on August 11, 1980. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Abbreviations: (A) approximate rate, no direct quotation available; (F) free rate; (P) based on U.S. dollar parities and going sterling/dollar rates; (S) member of the sterling area other than Scheduled Territories; (T) tourist rate; (Bas) basic rate; (bg) buying rate; (Bk) bankers' rate; (cm) commercial rate; (ch) convertible rate; (fn) financial rates; (exC) exchange certificate rate; (k) Scheduled Territory; (nc) non-commercial rate; (nom) nominal; (o) official rate; (sg) selling rate.

PLACE	LOCAL UNIT	VALUE OF £ STERLING
Afghanistan	Afghani	105.0
Albania	Lek	10.10
Algeria	Dinar	9.0870
Andorra	French Franc	9.80
	Spanish Peseta	171.05
Angola	Kwanza	70.3505
Antigua (S)	E. Caribbean $	6.40
Argentina	Ar. Peso Free Rate	4,484.0
Australia (S)	Australian $	2.0520
Austria	Schilling	29.995
Azores	Portug. Escudo	117.45
Bahamas (S)	Ba. Dollar	2.3720
Bahrain (S)	Dinar	0.896
Balearic Isles	Spa. Peseta	171.05
Bangladesh (S)	Taka	36.05
Barbados (S)	Babados $††	4.7440
Belgium	B. Franc	(cm) 67.45
		(fn) 67.85
Belize	B $	4.7440
Benin	C.F.A. Franc	490.0
Bermuda (S)	Bda $	2.3720
Bhutan	Indian Rupee	18.41
Bolivia	Bolivian Peso	59.25
Botswana (S)	Pula	1.8440
Brazil	Cruzeiro ††	127.45
Brit. Virgin Isles (S)	U.S. $	2.3720
Brunei (S)	Brunei $	5.0485
Bulgaria	Lev	2.0087
Burma	Kyat	15.95
Burundi	Burundi Franc	211.905
Cameroon Republic	C.F.A. Franc	490.0
Canada	Canadian $	2.7515
Canary Islands	Spanish Peseta	171.05
Cape Verde Isle	Cape V. Escudo	86.55
Cayman Islands (S)	Cay. Is. $	1.9765
Cent. Af. Repub.	C.F.A. Franc	490.0
Chad	C.F.A. Franc	490.0
Chile	C. Peso	(Bk) 92.45
China	Renminbi Yuan	3.4660
Colombia	C. Peso	(F) 113.35
Comoro Islands	C.F.A. Franc	490.0
Congo (Brazaville)	C.F.A. Franc	490.0
Costa Rica	Colon	20.40
Cuba	Cuban Peso	1.5992
Cyprus (S)	Cyprus £	0.8250
Czechoslovakia	Koruna	(com) 12.35
		(nc) 21.51
		(T) 21.18
Denmark	Danish Krone	13.055
Djibouti	Fr.	410 (sg)
Dominica (S)	E. Caribbean $	6.40
Dominican Repub.	Dominican Peso	2.3720
Ecuador	Sucre	(O) 59.42
		(F) 64.58
Egypt	Egyptian £	(U) 1.66
Equatorial Guinea	Ekpwele	171.05
Ethiopia	Ethiopian Birr	(P) 4.7950
Falkland Islands (S)	Falkland Is. £	1.0
Faroe Islands	Danish Krone	13.055
Fiji Islands	Fiji $	1.9200
Finland	Markka	8.6675
France	French Franc	9.80
French C'tyin Af*	C.F.A. Franc	490.0
French Guiana	Local Franc	9.80
French Pacific Is.	C.F.P. Franc	178 (sg)
Gabon	C.F.A. Franc	490.0
Gambia (S)	Dalasi	4.0
Germany (East)	Ostmark	4.23
Germany (West)	Deutsche Mark	4.23
Ghana (S)	Cedi	6.51
Gibraltar (K)	Gibraltar £	1.0
Greece	Drachma	102.911

PLACE	LOCAL UNIT	VALUE OF £ STERLING
Greenland	Danish Kroner	13.055
Grenada (S)	E. Caribbean $	6.40
Guadaloupe	Local Franc	9.80
Guam	U.S. $	2.3720
Guatemala	Quetzal	2.3720
Guinea Republic	Syli	44.30
Guinea Bissau	Peso	79.00
Guyana (S)	Guyanese $	6.0485
Haiti	Gourd	11.86
Honduras Repub	Lempira	4.7637
Hong Kong (S)	H.K. $	11.7425
Hungary	Forint	(com) 75.7980
		(T)(nc) 53.8067
Iceland (S)	I. Krona	1,151.6
India (S)	Ind. Rupee	18.41
Indonesia	Rupiah	1,481.85
Iran	Rial	n/a
Iraq	Iraq Dinar	0.7000
Irish Republic (k)	Irish £	1.1205
Israel	Shekel	12.73
Italy	Lira	1,997.5
Ivory Coast	C.F.A. Franc	490.0
Jamaica (S)	Jamaica Dollar	4.2305
Japan	Yen	535.75
Jordan (S)	Jordan Dinar	0.690 (sg)
Kampuchea	Riel	2,846.4
Kenya (S)	Kenya Shilling	17.40
Kiribati	Australian $	2.0520
Korea (Nth)	Won	2.01 (ll)
Korea (Sth)	Won	1,458.81
Kuwait	Kuwait Dinar	0.636
Laos	Kip Pot Po	37.95
Lebanon	Lebanese £	8.0910
Lesotho	Loti	1.8045
Liberia	Liberian $	2.3720
Libya	Libyan Dinar	0.7030
Liechtenstein	Swiss Franc	3.9075
Luxembourg	Lux Franc	67.45
Macao	Pataca	13.55
Madeira	Portug'se Escudo	117.45
Malagasy Republic	MG Franc	490.0
Malawi (S)	Kwacha	1.8950
Malaysia (S)	Ringgit	5.0935
Maldive Islands (S)	Mal Rupee	9.5180
Mali Republic	Mali Franc	980.0
Malta (S)	Maltese £	0.808
Martinique	Local Franc	9.80
Mauritania	Ouguiya	97.10
Mauritius (S)	M. Rupee	17.95
Mexico	Mexican Peso	54.7114
Miquelon	C.F.A. Franc	490.0
Monaco	French Franc	9.80
Mongolia	Tugrik	(o) 6.693 (ll)
Montserrat	E. Caribbean $	6.40
Morocco	Dirham	8.94 (sg)
Mozambique	Metical	67.30
Nauru	Australian Dollar	2.0520
Nepal	Nepalese Rupee	28.45
Netherlands	Guilder	4.6075
Netherland Antilles	Antillian Guilder	4.2450
New Hebrides	See VANUATU	
New Zealand (S)	N. Z. Dollar	2.4840
Nicaragua	Cordoba	23.70
Niger Republic	C. F. A. Franc	490.0
Nigeria (S)	Naira	1.270648 (sg)
Norway	Norway Krone	11.5375
Oman Sultate of (S)	Rial Omani	0.819
Pakistan	Pakistan Rupee	23.28
Panama	Balboa	2.3720
Papua N.Guinea (S)	Kina	1.5760
Paraguay	Guarani	298.62

PLACE	LOCAL UNIT	VALUE OF £ STERLING
Peru	Sol	exc (A) 660.43
Philippines	Philippine Peso	17.32
Pitcairn Islands (S)	£ Sterling	—
	New Zealand $	2.4240
Poland	Zloty	(Cm) 71.06
		(T) 71.06
Portugal	Portugu'se Escudo	117.45
Puerto Rico	U.S. $	2.3720
Qatar (S)	Qatar Ryal	8.62
Reunion Ile de la	French Franc	9.80
Romania	Leu	(Cm) 10.48
		(n/c) T28.13
Rwanda	Rwanda Franc	221.55
St. Christopher (S)	E. Caribbean $	6.40
St. Helena	St. Helena £	1.0
S. Lucia	E. Caribbean $	6.40
St. Pierre	Local Franc	9.80
S. Vincent (S)	E. Caribbean $	6.40
Salvador El	Colon	5.925
Samoa American	U.S. $	2.3720
San Marino	Italian Lira	1,997.5
Sao To'e & Principe	Dobra	81.25
Saudi Arabia	Ryal	7.86
Senegal	C.F.A. Franc	490.0
Seychelles	S. Rupee	14.75 (sg)
Sierra Leone (S)	Leone	2.4615
Singapore (S)	Singapore $	5.0485
Solomon Islands (S)	Solomon Is. $	1.9465
Somali Republic	Somali Shilling	(A) 14.28
South Africa (S)	Rand	1.8045
South West African Territories (S)	S. A. Rand	1.8045
Spain	Peseta	171.05
Spanish ports in North Africa	Peseta	171.05
Sri Lanka (S)	S. L. Rupee	38.02
Sudan Republic	Sudan £ (1)	1.13
Sudan Republic	Sudan £ (2)	1.90
Surinam	S. Guilder	4.2460
Swaziland (S)	Lilangeni	1.8045
Sweden	S. Krona	9.89
Switzerland	Swiss Franc	3.9075
Syria	Syria £	(A) 9.3090
Taiwan	New Taiwan $	85.40
Tanzania (S)	Tan. Shilling	18.95
Thailand	Baht	48.26
Togo Republic	C.F.A. Franc	490.0
Tonga Islands (S)	Ha'anga	2.0520
Trinidad (S)	Trinidad & Tob. $	5.6930
Tunisia	Tunisian Dinar	0.929 (SG)
Turkey	Turkish Lira	186.40
Turks & Caicos	U.S. $	2.3720
Tuvalu	Australian $	2.0520
Uganda (S)	Uganda Shilling	17.38
United States	U.S. Dollar	2.3720
Uruguay	Uruguay Peso	(cm) 21.46
		(fn) 2146.
Utd. Arab Emirates	U.A.E. Dirham	8.74
U.S.S.R.	Rouble	1.5135
Upper Volta	C.F.A. Franc	490.0
Vanuatu	Franc	153 (SG)
	Aust. Dollar	2.0520
Vatican	Italian Lire	1,997.5
Venezuela	Bolivar	10.17
Vietnam	Dong	(O) 5.1685
		(T) 4.9215 (‡)
Virgin Islands U.S.	U.S. Dollar	2.3720
Western Samoa S.	Samoan Tala	2.1360
Yemen (Nth)	Ryal	10.78 (SG)
Yemen (Sth)	S. Yemen Dinar	(A) 0.8095
Yugoslavia	New Y Dinar	65.1300
Zaire Republic	Zaire	6.862731
Zambia	Kwacha	1.8450
Zimbabw	Zimbabwe $	1.4960

* That part of the French community in Africa formerly French West Africa or French Equatorial Africa. † Rupees per pound. ‡ General rates of oil and iron exports 99.60. ** Rate is the transfer market (controlled). †† Rate is now based on 2 Barbados $ to the dollar. ‡‡ Now one official rate. (U) Unified rate. Applicable on all transactions except countries having a bilateral agreement with Egypt, and who are not members of IMF. (ll) Based on gross rates against Russian rouble. (1) Official rate for government transactions and specified exports and imports. (2) Parallel rate for non-government transactions and non-specified exports and imports.

U.S. OIL COMPANIES

Brake on runaway profits

BY DAVID LASCELLES IN NEW YORK

THE BIG American oil companies are still raking in large profits, judging by the earnings gains reported in the second quarter just passed. In fact, some of them scored even larger gains than analysts on Wall Street had been expecting.

But their reports also suggested that there could be a sharp slowdown in profit growth for the rest of this year as prices weaken and volume sales decline.

The big gainers were once again the Alaskan producers, whose oil is now flowing at optimum rates and fetching some of the best prices available under the U.S. complex oil price control system.

Standard Oil of Ohio (Sohio), BP's U.S. subsidiary, led the league with a gain of 124 per cent, from just over $200m to $450m. While most other oil majors were grappling with declining oil production, Sohio's output surged more than 25 per cent to hit an average of 721,800 barrels a day during the quarter.

Atlantic Richfield (Arco) advanced strongly for similar reasons. Profits were up 67 per cent, and oil production up 12 per cent. But the picture was not quite so bright at the third big Alaskan producer, Exxon, whose North Slope performance was offset by problems elsewhere in its operations, leaving it with a comparatively modest 24 per cent gain over the 1979 second quarter.

Exxon's profits were still enormous: $1,030m. But this was a sharp fall from Exxon's record $1,925m in the first quarter—the first break in earnings growth since the profits boom began last year.

Exxon said the main culprit was the dollar with fluctuations wiping $368m off profits. Were it not for this, Exxon's earnings would have risen not 24 per cent but 60 per cent.

With question marks overhanging the world oil supply situation and the progress of the U.S. recession, oil company profits could weaken in the coming months

Another strong performer was Mobil, the second largest oil company after Exxon, which managed to increase profits by 64 per cent despite continuing problems at its Montgomery Ward retailing subsidiary.

As a result of the strength of oil prices, Mobil gained both from product sales and inventory profits, mainly in its overseas operations which account for two thirds of its earnings from energy.

However, Montgomery Ward lost $82m in the first six months and Mobil recently had to advance it a $200m interest-free loan to help it out. Even so, Mobil managed to notch up one of the highest rates of return in the business: 25 per cent on average shareholders' funds over the last 12 months, compared with 24 per cent for Exxon, 23 per cent for Standard (Indiana) and 19 per cent for Gulf.

Companies with large chemical operations noted that these had been a drag on earnings in the second quarter of the weakness of many chemical product markets. Texaco's petrochemical earnings fell over 60 per cent to $9m because higher feedstock and operating costs could not be recouped in the market place.

Although earnings gains were generally well below the spectacular but unpopular levels of the previous three quarters, there was still a note of defensiveness in the way the companies presented their results. Many stressed that while profits were high, exploration and capital expenditures were on the increase. Typical was the remark by Mr. John Swearingen, chairman of Standard Indiana, the Chicago-based company which made some much-publicised oil and gas finds in the Rockies. "Our recent announcements of significant domestic discoveries are examples of the benefits from Standard's reinvestment of earnings to search for new oil and gas supplies."

Companies also stressed that the second quarter was the first full period in which earnings were subject to the windfall profits tax, enacted on March 1. Arco said it had paid $132m under this tax, and Sohio $108m.

But company chairmen injected a note of caution about the outlook. Mr. Jerry McAfee of Gulf (which, like Exxon, also had a drop in earnings from operations in the second quarter) warned: "While we continued to benefit from many of the factors which have boosted earnings over the past year, the impact of the recession was clearly evident in the second quarter as sales volumes and profit margins fell in several major segments of our business."

Standard Indiana's Mr. Swearingen also slipped in a warning that the earnings growth of the first half (52 per cent) would not be sustained for the balance of the year.

Since the oil majors reported their half-year results, the market has weakened further and many companies, notably Sohio, Arco, Gulf and Standard Indiana have been forced to cut their oil prices because of the glut. Whether or not this situation will persist depends partly on the world oil market, and partly on the speed of the U.S. economic recovery. But the price cuts sparked a sharp sell-off in oil company shares on Wall Street.

CANADIAN COMPANIES

Sharp advance in Calgary Power earnings

BY ROBERT GIBBENS IN MONTREAL

CALGARY POWER, Alberta's largest electrical utility, which is the object of a bid worth more than C$500m (US$550m) from Atco, the big prefabricated building producer and drilling contractor, has reported sharply higher earnings for the first half of the year.

Net income was C$53.9m or C$1.04 a share against C$46.1m, on revenues of C$180m against C$156m. The Alberta economy continued to be the strongest growth area in Canada in the first half.

Calgary Power's management is fighting a bid by Atco which has reviewed a C$21 a share offer for a minimum of 50.1 per cent of the utility's voting stock.

Calgary Power argues that the company's excellent future earnings prospects is one reason why shareholders should reject Atco bid. The Calgary Power directors believe the premium offered by Atco over market price of Calgary Power is "insufficient to warrant the sale of a portion of each stockholder's shares while relinquishing the power to elect all directors."

Mr. M. M. Williams, Calgary Power's president, said: "Since there is no material change in the substance of the bid, our directors re-affirmed the position they took with respect to the first offer. The offer of $21 per share is inadequate."

Mr. Williams also referred to the fact that the company's shares have doubled in price over the last five years while having earnings per share growth of 11.3 per cent per annum and annual dividends growth of 14.6 per cent per annum.

Imasco, the Canadian tobacco manufacturer controlled by BAT Industries of the UK, earned C$17.9m (US$19.7m) or 86 cents a share in the first quarter of the year, against C$15.9m 76 cents a share a year earlier. Sales, including revenues from franchised stores, were C$470m, against C$407m.

Imasco, Canada's largest tobacco products manufacturer, also operates food products, drugs and sporting goods retailing subsidiaries. The company said competition is stiffening in the light cigarette market but that its Imperial Tobacco division should again increase its overall share of the cigarette market in Canada this year.

Wardair Canada's largest charter airline, earned C$7.1m (US$7.8m) including C$2.1m gain on the sale of assets, in the first half of the year against a loss of C$5.4m a year earlier. Revenues amounted to C$130m compared with C$97m.

In reporting net earnings 59 per cent up at C$77.6m (US$83.6m) in the first half of the year, Dome Petroleum points out that it is continuing to spend about 2½ times its cash flow — currently at C$150.6m— on exploration and development on oil and gas in Canada. Revenue has jumped 53 per cent to C$510.7m, and shares earnings total C$1.75 in the six-month period.

The board says the increased earnings are the result of major capital expenditures made in recent years. Such expenditures will this year exceed C$1bn.

DM 200m Eurobond arranged for Renault

By Francis Ghilès

THE FIRST-EVER Deutsche Mark denominated Eurobond for Renault, the French car maker, is being arranged by Deutsche Bank in the form of a DM 200m private placement. Conditions include a five-year bullet maturity with a coupon of 7½ per cent.

The bonds have been priced at 99½ to yield 7.68 per cent, the lowest offered yield on a Deutsche Mark denominated Eurobond since last January. Regie Renault, the French parent company, is borrowing through its Dutch registered vehicle, Renault Acceptances BV.

Renault has arranged Eurobond issues in the past denominated in French francs, U.S. dollars, Luxembourg francs and Lebanese pounds.

Prices of seasoned D-Mark foreign bond issues were unchanged yesterday. This was also the case with Swiss franc issues.

In the dollar sector, prices dropped by half a point following the rise in Eurodollar interest rates and rumours of a large domestic issue in New York for Bell Telephone Company.

The first stage of a three-stage Eurobond issue is underway for Bank Leumi through its subsidiary, Leumi International Investments NV. Two $20m issues are currently on offer, a convertible and an FRN, both with seven-year maturities extendable to 1990. The convertible carries a coupon of 7 per cent and a premium on conversion of around 5½ per cent. The FRN carries interest at ¼ per cent over six-month Libor and a minimum coupon of 6 per cent.

The next two stages, both of which will be FRNs of $20m each, will be offered in October and November and will pay interest at ¼ per cent over three-month Libor and ¼ per cent over six-month Libor respectively.

Two FRN issues amounting to $30m each are expected for Credit Lyonnais in the next few weeks. The first issue, details of which may be announced later this week, will be placed in the Asian dollar market through Nomura. The second, probably to follow in early September, will be arranged by the National Bank of Abu Dhabi.

Oscar Mayer has poor third quarter

By Terry Byland

THE SETBACK in earnings this year at Oscar Mayer, the food processing group, gathered pace in the third quater. At the nine-month stage, Mayer, whose earnings derive chiefly from its branded meat products, showed a fall of 80 per cent in profits to $22.4m or $1.40 a share.

Sales, however, were 10 per cent up at $1.28bn.

Analysts have predicted some decline in full year profits. However, third quarter, earnings have collapsed to a mere $1.2m, or 8 cents a share, compared with $14.2m or 89 cents a year ago. Sales gained 10 per cent to $445.1m.

Mayer attributed the drop in third quarter net mainly to unusually large losses for unrealised foreign currency translation, against large credits in the 1979 period, as well as Lifo reserve requirements.

Mayer added that it expects a large fourth quarter Lifo inventory charge and substantially lower net than the $7.8m reported for the fourth quarter of last year.

In the first half of the year, sales at Mayer gained 10 per cent but earnings slipped back by 8.8 per cent as margins narrowed, largely, said the company, because of the inclusion of Louis Rich and of Chef's Pantry, bought up in February this year.

Emerson drops $196m bid for Crane Packing

By Our New York Staff

EMERSON ELECTRIC, the St. Louis manufacturer of electrical products, has called off its $196m bid for Crane Packing, the maker of industrial seals based in Morton Grove, Illinois. The cancellation was by mutual consent, but no reason was given in the companies' joint announcement.

Tube Investments of the UK (TI) was at one stage in the bidding for Crane Packing, but dropped out because it considered the asking price too high.

TI said yesterday that it was interested to learn what was happening to Crane. It was still interested in a "realistic approach" to the company but felt that the failure of the Emerson bid proved TI's feeling that an unrealistic price was being asked for the company. TI said it would watch events and see what happened.

New York store chain's deposits seized by banks

BY PAUL BETTS IN NEW YORK

THREE LEADING New York banks have seized the deposits of Korvettes as part of a move to retrieve some $55m in outstanding loans owed by the ailing New York department store chain, controlled by the French Agache-Willot group.

The three banks—Bankers Trust, Chase Manhattan and Manufacturers Hanover—and the Prudential Insurance Company have also decided to speed up the repayment schedules of Korvettes' debt.

The moves follow the surprise resignation last week of Mr. Joseph Ris, Korvettes' chairman. He abruptly stepped down after disagreeing with the French parent over the chain's financial rescue plan.

The French group, which bought the U.S. chain last year from Arlen Realty and Development of the U.S. for $51m, rejected Ris's proposals to convert most of Korvettes' debts to lenders into preferred stock.

At the same time, Korvettes proposed to hand over 25 per cent of the chain's profits up to 1987 to lenders, in exchange for the writing off of 55 per cent of the company's outstanding debt.

The banks' decision to seize Korvettes' deposits and call the outstanding loans are understood to have been prompted by Agache-Willot's opposition to the debt restructuring programme worked out by Mr. Ris.

Alternative proposals are expected to be made tomorrow to the lending institutions by the French parent company.

In a related move, the three banks and Prudential Insurance claimed that Arlen, the financially-troubled real estate company, was still responsible for the U.S. store chain's debt.

Although Arlen in a statement rejected the claim, this could nonetheless complicate Arlen's own negotiations with its lenders to restructure its debt.

Drive to maintain jobs hits results at Aker

BY FAY GJESTER IN OSLO

NORWAY'S Aker shipbuilding and fabricating group had an operating loss of NKr 15m ($3m) in the first half of 1980. However, after financial income and extraordinary items, the group's estimated net result was a break even.

The performance, despite full employment in all group companies, reflected the fact that Aker is losing money on a number of the contracts. These were accepted at low prices in order to maintain employment.

Among the factors offsetting the loss was the sale of a semi-submersible oil drilling platform, the Byford Dolphin, which Aker had delayed selling because of low selling prices. Now, on a "significantly improved" world market, the group has obtained $62.5m.

The report says the price secured represents "a significant profit" for Aker, making it likely that the results for 1980 as a whole will about equal last year's. In 1979, the group had a net loss of NKr 3.9m, after special items and year-end appropriations.

The report adds, however, that forecasting is difficult because of the uncertain outlook generally. It predicts an increase in orders for new mobile oil rigs, as soon as new safety rules for these structures have been agreed. At the same time, the report points out that a number of rig orders have recently gone to yards in Sweden and Japan "at prices far below what Norwegian industry can match."

Japan now offers eight-year export credits at 8½ per cent, which compares with 12 years and 11 per cent available in Norway for Norwegian owners.

Offshore contracting work, which to date has largely involved completion of offshore structures, is declining as fields now under development near completion. But the report foresees a marked rise in demand for offshore maintenance work, from 1983.

Swiss banks plan merger

By John Wicks in Zurich

BANK CANTRADE is to acquire the capital of Bank Landau and Kimche. Both Swiss banks are based in Zurich and are active in portfolio management and securities trading. Bank Cantrade had a balance-sheet total of some SwFr 400m at the end of 1979, and Landau some SwFr 160m.

Three-quarters of the capital of Cantrade—SwFr 10m—is held by Union Bank of Switzerland. Landau, which has a SwFr 6m capital, is controlled by the families Landau, Kimche and Floersheimer. Existing shareholders in the Landau management will remain with the bank.

● Swiss stock-market activity rose in the first half of 1980. Total turnover on the Basle bourse dipped to SwFr 13.18bn compared with SwFr 13.21bn ($8bn), but on the Zurich exchange dealing volume improved from SwFr 59.14bn to SwFr 60.8bn.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on August 11

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Brit. Oxygen F. 10¾ 90	50	87⅝	87⅞	−0½	−0⅝	13.03
CECA Grad. Rate 12 86	100	96½	97¼	−0¼	−0⅞	11.95
CECA 11⅝ 90	50	95⅝	96⅝	−0⅛	−0⅛	12.31
CECA 11½ 88	100	97½	98	−0¼	−0⅛	11.94
Citicorp O/S Fin. 10 86	300	91⅞	92⅜	−0⅛	−0⅜	11.92
Con. Illinois O/S 9¾ 86	150	90⅝	91⅛	−0⅛	−0½	11.98
Denmark 11¾ 90	100	95¾	96¼	−0⅛	−0⅜	12.46
Dome Petroleum 13½ 92	50	99¾	100¼	−0½	−0⅜	13.47
EEC 11 95	75	92	92½	−0⅜	−0⅞	12.14
EIB 11¼ 92	80	93¼	93¾	−0½	−1⅛	12.83
EIB 13¾ 90	100	104⅜	104⅞	−0⅛	−0⅞	12.86
Eksportfinans 11¼ 87	50	97⅜	97⅞	−0⅛	−0½	11.76
Eksportfinans 9½ 87	75	88¾	89¼	−0⅛	−1½	11.91
Elec. de France 10 88	125	91¼	91¾	−0⅜	−1	11.70
Export Dv. Cpn. 12¾ 87	100	103⅛	103⅝	−0⅛	−1	11.97
Export Dv. Cpn. 9½ 85	150	91¼	91¾	−0½	−1⅛	11.67
Federal Dev. Bk. 12¼ 85	75	101⅛	101⅝	−0⅛	−0⅞	11.82
Fin. Exp. Credit 10½ 85	50	95¾	96¼	+0⅛	−0¼	11.60
Finland Rep. of 9½ 86	100	88⅝	89⅛	−0⅛	−1½	12.33
Ford O/S Fin. 12⅝ 85	250	98¼	98¾	0	0	13.03
George Weston 13½ 87	30	100⅜	100⅞	−0¼	−0½	13.32
GMAC O/S Fin. 11 84	100	97⅞	98⅜	−0⅛	−0⅛	11.53
GMAC O/S Fin. 13⅛ 85	100	103¾	104¼	−0⅛	−0⅝	12.19
Goodyear O/S 12½ 87	75	97⅛	97⅝	+0⅛	−0⅝	13.08
Hudson's Bay 11½ 90	75	94	94½	−0½	−1½	12.53
IBM Canada 10½ 85	50	97	97½	−0½	−1	11.25
ICI Fin. Ned. 11 83	100	99⅜	99⅞	+0⅛	0	11.12
McGraw 13½ 85	75	100¼	100¾	−0¼	−0⅛	13.30
Norwest Ind. 13⅝ 87	50	99½	100	0	−0¼	13.64
Nova Scotia 10¾ 90	50	91¼	91¾	−0⅛	−0¼	12.27
OKB 10 85	50	95⅛	95⅝	−0⅛	−1⅛	11.26
Pembroke Capital 9¾ 87	100	91⅞	92⅜	−0⅛	−0⅜	11.32
Pemex 11½ 88	100	95⅛	95⅝	−0⅛	−0⅜	12.44
Quebec Hydro 11½ 92	100	93½	94	−0⅛	−0⅞	12.53
Repsteel O/S 11½ 88	100	89⅞	90⅜	−0⅛	−0⅝	13.60
Roylease Ltd. 11¼ 85	50	98⅛	98⅝	−0¼	−0½	11.69
SNCF 12⅜ 85	50	102⅜	102⅞	−0⅛	−0⅛	11.59
Swed. Ex. Cred. 12½ 85	40	100⅛	100⅝	−0⅛	−0¼	12.28
US Finance BV 11 90	50	87⅜	87⅞	−0⅛	−0⅞	13.31
Unilever NV 9¾ 90	100	88	88½	−0⅛	−0⅜	11.82
World Bank 9¾ 85	200	94⅜	94⅞	−0½	−0½	11.23
World Bank 10⅛ 87	300	94⅜	94⅞	−0½	−0½	11.41

Average price changes... On day −0⅛ on week −0⅝

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Akzo 9 80	125	102½	103	0	−0⅝	8.56
Australia 8⅛ 90	250	103¼	103⅞	0	0	7.59
BFCE 7¾ 87	100	100¼	100¾	−0⅛	+0½	7.63
BFCE 8⅛ 95	100	100⅝	101⅛	−0⅛	+0¼	8.01
Brazil 8 87	150	92¾	93¼	−0⅛	−0⅞	9.41
Council of Eur. 7¾ 89	100	96	96¼	−0⅛	−0¼	7.83
Denmark 7⅞ 86	100	99	99¾	+0⅞	−0¼	8.00
Denmark 8¼ 92	100	99¼	99¾	−0½	−0⅜	8.31
EEC 7⅞ 94	225	99¼	99¾	−0¼	−0⅛	7.93
Finland Rep. of 8 86	150	100¼	101	−0⅛	+0⅝	7.86
Iberduero 9 90	100	98⅝	99⅛	0	0	9.18
Kobe, City of 7⅞ 89	150	95⅞	96⅜	−0⅛	0	7.71
Kobe, City of 8 90	100	100¾	101¼	+0⅛	+0⅛	7.86
Mt. Bk. Denmark 8½ 90	150	100½	101	0	−0½	8.38
Norway 7½ 85	250	100¼	101	0	−0½	7.31
OKB 7⅜ 89	100	96⅝	97⅛	+0⅛	+0⅛	7.86
OKB 8¼ 92	150	100¼	101½	+0⅛	0	8.09
Oslo, City of 8¾ 90	80	102⅞	103⅛	+0⅛	+0½	8.25
Sweden 9¾ 87	200	108	108¾	−0⅛	+0⅝	8.05
World Bank 7⅞ 90	250	99⅝	100⅛	+0¼	+0¼	7.90
World Bank 8 90	700	100¼	100¾	0	0	7.92
World Bank 10 86	150	108⅜	109⅛	−0⅛	−0⅛	8.02
World Bank 10 90	200	122¾	113½	+0¼	+0⅛	8.00

Average price changes... On day 0 on week 0

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 5½ 89	80	92¼	92¾	0	−2¾	6.68
Bergen, City of 4¾ 91	40	93½	94	+0½	−0½	5.53
Bergen, City of 6 90	50	104	104¼	0	+0⅝	5.44
BNDE 5 89	75	84⅞	85½	−0⅛	−0⅜	7.32
BMW Overseas 4¼ 91	100	93	93¼	+0⅛	+5	5.07
Buhrm'n-Tetterode 7 90	40	105¾	106	+0⅛	+0⅛	6.17
Caisse Nat. Tele. 4⅞ 89	100	94¼	94¾	−0⅛	0	5.15
Copenhagen 4½ 91	60	88½	89¼	−0½	−1⅛	5.89
Council of Eur. 5 89	100	94¾	95¼	−0⅛	−0⅛	5.71
Denmark 5¾ 90	80	100	100¼	0	+0⅛	5.73
EIB 4⅛ 94	100	88	88½	−0⅛	−0⅜	5.61
Elet. de France 4⅝ 89	100	94⅛	94¼	+0⅛	−0⅛	5.16
F. G. H. Hypo. Bk. 6 90	50	†104	104½	+1⅛	+0½	5.43
GZB 4¾ 89	100	†90	90¾	−0⅞	−1⅞	5.85
Hilti 4½ 91	35	95	95½	+0⅞	+1⅛	4.81
Int.-Amer. Dev. 4½ 89	100	91½	91¾	−0⅛	0	5.72
Int.-Amer. Dev. 7 90	80	106	106¼	0	−0½	6.14
Jutland Tele. 5½ 90	50	100	100⅛	+0⅛	0	5.48
Malaysia 5 89	80	†88	89	−0⅛	−0½	6.72
Newag 5½ 90	80	102	102¼	+0⅛	+0⅛	5.46
Nippon Tel. & T. 4½ 89	100	94¾	95¼	+0⅛	−0⅛	4.94
Nordic Bank 5 89	45	98¾	99¼	+1⅞	+2⅝	5.14
Norges Komm. 4⅞ 91	100	†91½	92	−0½	−0⅞	5.37
OKB 4⅞ 91	100	91¾	92¼	+0⅛	−0⅛	5.34
OKB 6 90	100	103	103½	0	0	5.55
Oslo, City of 4⅞ 91	100	89	89½	0	−1	5.70
Sekisui Pre. Hms. 6 90	80	102⅞	103⅜	+0¼	+0½	5.58
Shikoku El. Pwr. 4¾ 89	100	96	96½	−0½	+0¼	5.28
World Bank 4⅝ 89	100	96¼	96¾	+0⅛	−0⅛	5.12
World Bank 4⅞ 89	150	90⅝	91¼	−0⅛	−0⅛	5.68
World Bank 4⅝ 91	100	91⅜	91⅞	+0⅛	−0¼	5.65

Average price changes... On day 0 on week −0⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 5.6 83	30	91⅞	93⅛	0	−0⅛	8.39
Australia 6½ 88	20	87¾	89	−0⅛	0	8.65
EIB 7¼ 89	12	95¼	96¾	0	−0⅝	8.40
Finland 5 6 83	10	91½	92½	0	0	8.64
Finland 6 8 88	10	88¾	89½	−0⅛	−0⅛	8.89
Finland. Rep of 8⅛ 87	15	96½	97¼	+0¼	+0⅛	8.95

Average price changes... On day 0 on week 0

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bell Canada 10¾ 86 C$	60	93½	94	0	−0⅞	12.24
CIBC 13½ 85 C$	50	102¼	102⅞	+0⅛	+0⅛	12.78
CIBC 11½ 85 C$	60	96⅛	96⅝	0	+0¼	12.52
Federal Dev. 11½ 90 C$	60	93¾	94½	+0⅛	+0⅛	12.56
Fst. Can. Inv. 10 84 C$	50	92¼	92⅞	+0½	+0⅝	12.64
GMAC 12 85 C$	50	†97½	98	0	+0½	12.62
R. Bk. Canada 10 86 C$	40	92⅜	92⅞	0	−0⅞	11.81
Tordom Cpn. 13½ 85 C$	30	102¼	102¾	+0⅛	+0⅛	12.73
M. Bk. Dnmk. 9 91 EUA	25	†94¾	95¾	+1	+0½	9.78
SOFTE 8¾ 89 EUA	40	†88¼	89¼	0	−0⅛	10.26
U. Bk. Nrwy. 9½ 90 EUA	18	†99	100	+0⅛	+0½	9.58
Algemene Bk. 8¼ 84 Fl	75	96	96½	−0½	−0⅜	9.39
Algemene Bk. 10¼ 87 Fl	400	100⅛	100⅞	−0½	−0⅛	10.11
Bk. Mees & H. 10 85 Fl	75	100	100½	−0⅛	−0½	9.93
Heineken NV 10 87 Fl	75	100¾	101¼	−0⅛	0	9.79
Ned. Gasunie 8¼ 84 Fl	50	99¾	100¼	−0¼	0	8.86
Norway 8⅛ 84 Fl	100	97	97½	+0⅛	+0⅛	9.06
Philips Lamps 8¾ 84 Fl	75	96½	97	−0⅛	−0½	9.37
Air France 11 84 FFr	120	96⅝	97⅝	0	+0⅛	12.08
CECA 14¼ 86 FFr	150	105¾	106¾	0	0	12.59
Finland 1 184 FFr	80	95⅝	96⅝	0	+0¼	12.29
Finland 11½ 89 FFr	70	93⅜	94⅜	0	+0⅛	12.65
Gaz de France 11 84 FFr	150	95	96	−0⅛	−0⅛	12.40
IBM France 11⅞ 84 FFr	120	97⅛	98⅛	0	−0⅛	12.56
Renault 9¾ 85 FFr	100	87½	88½	+0⅛	+0⅛	13.21
Saint-Gobain 9¾ 86 FFr	130	86⅝	87⅝	+0⅛	+0½	13.04
Solvay et Cie 9¾ 87 FFr	125	84⅞	85⅞	−0⅛	0	13.14
Utd. Mex. Sts. 14 85 FFr	150	98½	99½	0	0	14.26
Beneficial Fin. 14⅛ 90 £	20	99½	100¼	−0⅛	−0½	14.24
Citicorp O/S 13½ 90 £	50	99½	100	0	−0½	13.51
EIB 11½ 91 £	25	91⅛	91⅞	−0⅝	−1⅛	12.99
Fin. for Ind. 12½ 89 £	30	96½	97¼	0	−0⅛	13.10
Fin. for Ind. 14½ 88 £	20	103⅜	104⅛	0	0	13.62
Peugeot SA 14 90 £	23	99	99¾	0	0	14.12
Swed. Ex. Cr. 15⅛ 85 £	20	103½	104	0	−1⅛	14.04
Banobras 8⅛ 90 KD	7	†95⅝	95⅝	0	−0⅛	8.97
CCCE 8⅛ 91 KD	10	†93⅞	94⅜	0	0	9.00
Sonatrach 8½ 90 KD	12	†94⅝	95⅛	0	0	9.31
Akzo 9¼ 87 LuxFr	500	95¼	96¼	−0¼	+0¼	10.12
Euratom 8 87 LuxFr	500	89⅝	90⅝	+0⅛	0	10.10
Euratom 9¼ 88 LuxFr	500	98⅜	99⅜	0	+0⅛	9.55
EIB 9¼ 88 LuxFr	600	98⅝	99⅝	+0⅛	+0⅛	9.90
Volvo 9¾ 87 LuxFr	500	96¼	97¼	−0⅛	−0⅛	10.39

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish Bk. 5⅞ 87	0¼	98½	98¾	2/1	10.44	10.61
Bank of Ireland 5⅞ 89	‡0¼	97¼	98¼	21/8	11.81	12.05
Bank of Tokyo 5⅝ 89	‡0¼	96⅝	97½	25/10	16.56	17.10
Barclays O/S Inv. 5 90	0¼	97¼	97¾	13/12	9⅝	9.87
Bergen Bk. A/S 6 89	‡0¼	96¾	97¼	29/8	10	10.31
Bilbao Int. NV 5¾ 90	0¼	96¾	97¼	29/11	10.06	10.37
Citicorp O/S F. 83	§‡0	99⅛	99⅝	23/8	10.19	10.25
Citicorp O/S F. 84	‡0	98½	99	30/7	9.69	9.81
C. Itoh 5¼ 87	0¼	99	99½	18/9	19.44	19.58
Co-operative Bk. 6 86	0¼	98	98½	15/11	11.44	11.64
Creditanstalt 5½ 91	§‡0¼	97	97½	14/9	9.44	9.70
CNT 5⅛ 86	§0¼	100¼	100¾	16/10	18⅛	18.03
GZB 5½ 89	‡0¼	97⅝	98⅛	1/11	9.81	10.03
Jugobanka 8 89	0⅞	90¼	92¼	23/11	11⅝	12.74
Ind. Bank Japan 5¼ 87	0¼	99½	100	15/10	18¾	18.80
Lloyds Eurofin 8 90 £	0¼	96⅞	97⅜	3/1	15⅝	16.22
LTCB Japan 5¼ 86	0¼	98	98½	13/12	9⅝	9.80
LTCB Japan 5½ 89	0¼	98	98½	7/12	10⅛	10.31
Mfrs. Han. O/S 5⅛ 94	‡0⅛	97⅛	97⅝	31/8	9⅞	10.14
Midland Intl. Fin. 5 89	0¼	98	98½	20/12	9⅝	9.87
Midland Intl. Fin. 5¼ 92	0¼	98	98½	5/12	10⅞	11.07
Nacional Fin. 6¾ 86	0¼	97½	98	25/1	9.68	9.91
Nat West 5¼ 94	§0¼	99⅜	99⅞	11/10	18⅝	18.70
Nippon Credit 6½ 86	0⅛	97⅜	97⅞	12/1	9.56	9.80
Nippon Credit 5¼ 87	‡0⅛	98	98½	6/11	10⅞	11.07
Royal Bk Scot 5¼ 94	§‡0⅛	98⅛	98⅝	11/10	9.31	9.47
Soc. C. de Bque. 6½ 87	0¼	99⅝	100⅛	3/10	20.06	20.09
Standard Chart. 5⅞ 90	0⅛	99	99½	6/9	17⅛	17.38
Svenska Hndlsbk. 5 87	0¼	98⅜	98⅞	15/1	10	10.14
Sweden 8¼ 91	‡0⅛	96	98½	18/10	18⅝	18.35
Williams & Glyn 5¼ 91	0⅛	98¼	98¾	14/9	18½	18.81
Bq. S. d'Alg. 4¾ 89 SF	0⅜	†91	91½	18/12	6⅝	6.71

Average price changes... On day 0 on week +0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Aktiebolag 7¾ 89	10/79	145	†118	119	0	−8.61
Ajinomoto 7¼ 95	2/80	615.5	†110	111	+1⅛	−0.82
Alco Int. Fin. 9½ 94	1/80	40	95	96½	−0⅝	23.55
Apache I. Fin. 8¾ 95	12/80	21.12	115	116¼	+6⅝	−1.31
Asahi Optical 7 94	11/79	526.1	96⅝	97⅝	+0⅞	1.21
Blocker Energy 8⅞ 95	1/81	21.87	95⅞	96⅞	−0¼	18.02
Canon 6⅝ 94	8/79	570	105½	106½	+1⅛	1.69
Credit Suisse 4¾ 93	10/79	1278	106	107½	+0⅞	−2.33
Daiei Inc. 6½ 94	11/79	927.3	97⅝	98⅝	0	25.75
DDKK 11 90	4/80	324	105½	106½	−0¼	11.60
Dynalectron 9½ 95	8/80	12.22	106¾	108	−0⅞	9.34
Ensearch Fin. 9½ 94	7/80	30.25	118	119	−1⅞	−1.00
Merdenshe Elec. 7 94	12/79	210	101½	102½	+3	16.88
MEPC 8¼ 96	2/81	247	†102	103	0	17.63
Mitsubishi Cp. 6½ 94	10/79	549.1	119½	121	+0⅞	1.33
Nippon Seiko 7¼ 94	12/79	339	†105¾	106¼	+0½	1.02
SBC 6¼ 90	9/80	200	98⅝	99⅝	0	−36.66
Toshiba Cpn. 7¼ 94	10/79	198	99¾	100¾	+0⅞	4.64
Union Bk. Switz. 5 89	2/80	121.4	98	99½	+1¾	4.31
Fujitsu 5 84 DM	7/79	475	104¼	105	+0⅝	5.44
Kansai Elec. 4 84 DM	4/79	1210	87⅝	89⅜	+0⅛	40.72
Sharp Cpn 6½ 88 DM	9/80	595	101⅞	102⅜	+0⅛	9.05
Uny Co. 6½ 85 DM	11/79	1071	97⅝	98⅝	0	24.05

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

SAMURAI BONDS

South Korea to raise Y10bn

BY RICHARD C. HANSON IN TOKYO

THE GOVERNMENT-RUN Korea Development Bank (KDB) will have no trouble tapping the Tokyo yen bond market as a borrower in October, despite economic and political uncertainties in South Korea.

The KDB is planning to issue Y10bn ($44m) in 10-year bonds aimed at bolstering the country's balance of payments position. This is its second Samurai bond following a Y10bn issue in January, 1978. Ironically, there were probably more questions raised before the first issue than the second, partly because of the strong impression among underwriters that the authorities are anxious to maintain economic ties with South Korea on an even keel.

Japan, for example, has made other gestures recently to correct the trade imbalance which runs heavily in its favour.

The Koreans have two factors in their favour in coming to the Samurai market. First, they have built up within the Japanese financial community very close ties. Second, the Japanese investor traditionally is not troubled very much about any risk that may be involved concerning bond issues in Tokyo. This accounts for the very small differences between terms made available to the best Samurai bond issuers and countries with distinctly lower ratings.

"There has not been a bond default (in Japan) since the war, so investors do not even think about the possibility," explains one banker.

The KDB issue in fact will come soon after bonds planned in September by the highly rated World Bank and the European Investment Bank and around the same time as a bond by EDF, the French national electricity utility.

Meanwhile, speculation has arisen that the Ministry of Finance will ease its general ban in force since the end of last year on yen loan syndications to overseas borrowers. Yen syndications were restricted at the same time as foreign currency participations. The latter were restarted in April in a rather modified way.

The authorities tightened controls on overseas yen lending as the country's balance of payments turned heavily into the red last year. The deficits have eased, however, in recent months, partly as a result of a strong inflow of capital into Japanese securities since April.

Depending on who one talks with in the private sector, there is the feeling that the Government could ease up as early as the end of September, or the present sense of caution should continue through the end of the year.

The official in charge of the Short-term Capital Division of the finance ministry would comment only that they are aware that the situation has improved since the ban was put into effect, but that no decisions have been taken so far to ease the restrictions.

Financial plan rumours boost Fiat shares

By Rupert Cornwell in Rome

FIAT SHARES rose yesterday on the Milan bourse by almost 8 per cent following the weekend reports that a major financial reorganisation is planned for the troubled car subsidiary of Italy's biggest private industrial group.

The rise yesterday to L1,699.5 per share from L1,577 is in a sense a continuation of the upward movement in Fiat stock since the news on July 31 that Sig. Umberto Agnelli was stepping down as Fiat group managing director.

The market's enthusiasm does not appear to have been tempered by the disclaimer issued by Banca Nazionale del Lavoro, one of the banks cited as handling the operation, that it knew nothing of any such project.

In fact the bank's reaction, and its suggestion that no such scheme was necessary given Fiat's existing facilities still outstanding with its bankers, may even have encouraged speculators further, as a sign that the Turin group's financial position was less dramatic than is sometimes painted here.

The reports, in the Milan daily Corriere Della Sera, said that plans were at an advanced stage for a L1,000bn ($1.2bn) operation for Fiat's car division.

The scheme would be in addition to government help for Fiat under the special lire 1,500bn fund approved by the Senate this weekend.

Sharp profit fall at Heineken

BY CHARLES BATCHELOR IN AMSTERDAM

HEINEKEN, the Dutch beer, spirits, and soft drinks group, experienced a sharp fall in net profit in the first six months of 1980 and profits for the year as a whole will be lower.

The exceptionally bad weather in most of Europe has led to a decline in beer sales, the company says, in a statement issued in advance of the six months figures which are due on September 5.

Beer shipments to the U.S., where Heineken is the largest imported breand, also fell. This was not the result of Americans drinking less beer but of distributors cutting back on stocks.

Inflation and price controls prevented Heinekin from passing on increased costs in higher sales prices.

The management board expects an improvement in the company's result in the second-half of the year but this will not prevent a decline on last year's net profit.

In March Heineken forecast that profits would continue at a satisfactory level with the international spread of its activities allowin gsetbacks in one area to be offset by improvements elsewhere.

The company is changing its accounting year to a calendar year. In the 15-month period to the end of 1979, Heineken reported consolidated net profit of Fl 143.6m ($74m) on sales of Fl 3.49bn.

● Unilever Indonesia, will offer 15 per cent of is net assets on the Indonesian Stock Exchange next year to help finance a $100m expansion programme.

Board chairman Mr. Yamani Hassan told Reuters the sale of shares on the exchange will provide about $25m of the total needed to add a new factory in Surbabya, rebuild the Jakarta factory, and possibly add another Jakarta factory at a later date. The expansion programme would bring Unilever's total capital investment in Indonesia to about $175m.

Talks on A$1.2bn coke plant project

BY JAMES FORTH IN SYDNEY

A CONSORTIUM of Australian and overseas companies, led by Lend Lease Corporation, is investigating the possibility of establishing an A$1.2bn (US$1.4bn) coke plant at Gladstone, on the Queensland coast. Mr. John Bjelk Petersen, the state premier, said yesterday that the first stage of the plant could be producing coke and other by-products from Queensland coal by 1984, and that the plant was the likely forerunner of a major steel mill in Queensland.

Gladstone is a growing industrial port and already supports the world's largest alumina refinery, operated by Queensland Alumina. Plans have been announced for two major aluminium smelters to be built at Gladstone, one by Alcan of Canada and another by a consortium which has been investigating the coking plant for more than two years. Lend Lease is a major construction, engineering and property group, which has been studying diversification into energy developments.

The other members of the consortium are the Queensland gas distributor, Allgas Energy; Austrian steelmaker Voest Alpine; chemical manufacturer, Monsanto Australia; international coke marketer, Hansen Neuerberg; and the coal mining, coke and chemical producing company, Charbonnages de France.

Mr. Bjelke-Petersen said the Queensland government had offered help by assisting the consortium to secure adequate long-term coal supplies. The proposal was for an integrated coke manufacturing plant, constructed in four stages starting in mid-1981 and scheduled for completion in 1989.

WORLD STOCK MARKETS

Wall St. mixed in early trade

STOCKS ON Wall Street made a mixed showing at mid-session yesterday, with early profit-taking noted after last week's advance to peak levels.

There was a fairly heavy morning business dominated by large block trades of major Oils.

The Dow Jones Industrial Average edged up 1.71 to 956.40 at 1 pm, while the NYSE All Common Index hardened 10 cents to $70.91, but declining issues outscored gains by a small margin. Trading volume amounted to 28.76m shares, but was well below last Friday's very large 1 pm figure of 52.47m.

Stocks in the Oil group, however, showed only small changes in most cases. Exxon were up ⅜ at $70½ but Texaco off ¼ at $37½, while Californian Standard were unchanged at $75. Analysts said profit-taking in the Oil issues had been expected.

Computer and Technology stocks recorded gains. Digital Equipment put on 1½ to $84½ and Texas Instruments 3 to $118½, while IBM and Honeywell were fractionally higher. Tandy fell 2¼ to $67½ on profit-taking, however.

Gold Minings were lower on the weaker Bullion price. Dome Mines lost 3⅞ to $108¾. Campbell Red Lake 2⅞ to $52 and Homestake 1⅛ to $65½.

American Telephone improved ⅜ to $52½. The company settled a national labour contract over the weekend.

THE AMERICAN SE Market Value Index was 0.85 harder at 320.26 at 1 pm. Volume 2.83m shares (4.61m).

House of Ronnie rose 1⅞ to $9⅜. It has received a merger offer from Gulf and Western.

Canada

Stocks were firmer for choice at mid-day, with the Toronto Composite index adding 9.1 at 2,234.5. The Oil and Gas index gained 16.7 to 4,893.3, but Golds receded 121.0 to 4,794.7.

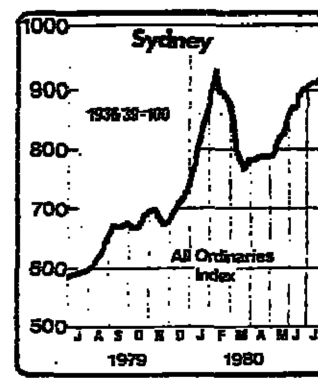
Closing prices for North America were not available for this edition.

Australia

Strong overseas buying of Resources stocks and leading Industrials left markets sharply higher yesterday after hectic trading. The Sydney All Ordinaries index forged ahead 16.01 to an all-time high of 955.96, while the Metals and Minerals sub-group index advanced 183.38 to 6,137.19.

Western Mining rose 26 cents to A$5.92, CRA 16 cents to A$5.66, Consolidated Goldfields 60 cents to A$9.20 and MIM 14 cents to A$5.20.

The overall trend in the Golds sector was mixed in light of uncertain world trends, but



Poseidon improved 15 cents to A$4.40 and Bougainville 10 cents to A$2.65, the latter ahead of its interim results, expected later this week.

Demand for Uranium issues pushed Peko-Wallsend up 50 cents to A$9.00 and Pancontinental 20 cents higher to A$7.30, while Coals, also strong, had Utah 8 cents firmer at A$5.20.

The expected fight for Coal issue White Industries failed to materialise when dealings were resumed yesterday after a three-month suspension. The Bond faction had the market to itself when White opened at A$26 and closed at A$25 to show an A$8 rise on its pre-suspension price.

Among Oil and Gas stocks, Magellan gained 90 cents to A$6.20, Crusader 45 cents to A$4.45, Vamgas 30 cents to A$7.30 and Beach 12 cents to A$1.62.

On the Industrials board, BHP rose 25 cents to A$15.35, CSR 20 cents to A$7.76 and Jennings 9 cents to A$1.05. ACMIL firmed 8 cents to A$1.12 amid rumours of a takeover bid by the Brambles Group.

Tokyo

Selective fresh buying spurred most Oils, Steels and Heavy Electricals ahead, together with some Light Electricals and speculatives, but the overall market was mixed after a moderate business.

The Nikkei-Dow Jones Average improved 11.75 to 6,778.54 and the Tokyo SE index put on 1.66 to 470.01, but declines narrowly led rises on the First Market section by 317 to 304. Volume came to 250m shares, compared with last Friday's 350m and Saturday's half-day total of 180m.

Defence-related issues also firmed following news that the Japanese Government plans a 20 per cent increase in its share of the costs of maintaining U.S. military bases and troops in Japan.

Fuji Heavy Industries rose Y13 to Y360 and Mitsubishi Heavy Y3 to Y181, while Nippon Steel put on Y4 to Y133, Kawasaki Steel Y5 to Y134, Nippon Kokan Y5 to Y132 and Hitachi Y4 to Y282.

Among Light Electricals, TDK Electronic advanced Y60 to Y2,650 and Pioneer Electronic Y50 to Y2,100. Fuji Electric Y18 up at Y257, was actively bought on news that it has succeeded in developing a new type solar energy battery.

Nippon Oil added Y40 at Y1,220. Pharmaceuticals concern Green Cross moved ahead Y120 to Y1,940 on reports that it is studying and researching a new anti-cancer drug.

Milan

Stock prices were sharply higher in an active session as the market continued a bullish trend long predicted by several brokers and anlysts. Many issues hit highs for the year as the Banca Commerciale Italiana index advanced 2.46 to a new 1980 peak of 117.46.

Fiat rose L122.50 to L1,699.50 on reports that a consortium of banks was being formed to consolidate short-term debts of the motor manufacturer.

Bastogi benefited from reports of a new partner in the syndicate controlling its pharmaceutical subsidiary, Pierrel, and climbed L24.75 to L589.75.

Germany

Shares closed mixed after light trading, with selective buying countered by some profit-taking. However, the Commerzbank index gained 3.9 to 748.8.

Banks and Motors were mainly firmer, Deutsche Bank adding DM 2.90, Dresdner Bank DM 3.40 and Volkswagen DM 2.70.

Public Authority Bond prices rose afresh by up to 30 pfennigs and the Bundesbank sold DM 5.5m nominal of paper after sales last Friday of DM 33.7m.

Johannesburg

Gold shares retreated in fairly active trading on the weaker Bullion price. Losses stretched to R3.00, as in Kloof, R38.50. Western Deep receded R2.25 to R57.50 and East Drie R1.45 to R30.70.

Hong Kong

Small investor buying lifted the market early in the session yesterday, following last Friday's downturn. However, gains were trimmed later by fresh profit-taking, while the day's turnover on the four stock exchanges contracted to HK$263.10m from Friday's total of HK$326.91m. The Hang Seng index, which relinquished about 11 points on Friday, recouped 6.27 at 1,135.76.

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS AT 31st JULY 1980

The Association of International Bond Dealers (AIBD) compiles current market quotations and yields for Eurobond issues. These quotations and yields are published monthly by the Financial Times. The Association's prices and yields are compiled from quotations obtained from market-makers on the last working day of each month.

There is no single stock exchange for Eurobonds in the usually recognised sense—secondary market trading business is done on the telephone between dealers scattered across the world's major financial centres.

Membership of the AIBD (which was established in 1969) comprises over 550 institutions from about 30 countries.

Eurobonds in July

BY FRANCIS GHILES

DEMAND for new dollar denominated Eurobonds slumped last month while hard currency bonds continued to ride high. In the Deutsche Mark sector a record volume of new issues—over DM 2bn—was successfully placed.

What happened last month in the dollar sector was that the weight of a heavy new issue calendar coincided with the bottoming-out of dollar interest rates. But many issuing houses continued to bring new issues to the market on terms which anticipated a further fall in dollar interest rates. The result was that demand for new dollar paper dried up and some houses were left with uncomfortably large positions.

Many issuing houses may have been able to forestall large losses by positively funding this overhang as Chemical Bank's Review of international capital markets points out. But this has been done under the assumption that interest rates will move lower, making these unrealistically priced issues more attractive in several months' time.

For the time being things are moving in the wrong direction: many issues launched in July are standing at hefty discounts in the secondary market and, even at these low levels, few buyers are showing interest. Among the major casualties are the 10¾ per cent bond to 1990 for Nova Scotia, which was standing early in August at 91¾-92¼, the 11¼ per cent bond to 1988 for Republic Steel which was standing at 90¼-91 and the 10¾ per cent bond to 1990 for British Oxygen which was standing at 88¼-88¾.

One issue which performed markedly better than others was the $50m tap issue for Oesterreichische Kontrollbank. It offered a coupon of 10 per cent for five years and was priced at a more realistic 98½ per cent to yield 10.40 per cent. This was consistent with this borrower's policy of trying to ensure that all its issues trade at a reasonable level in the secondary market.

By the end of July, $8.7bn worth of new dollar Eurobond issues had found their way into the market. Of this total, $2.8bn were issued in June but the issuing price slowed to $655m in July. By early August only a trickle of dollar issues, most of them convertibles and floating rate note issues, were finding their way into the market.

One sector which appears to be flourishing is that for convertibles. Paribas (Suisse) and Metropolitan Estates Property Company were among the more notable names last month. By early August the rise in U.S. dollar interest rates was seriously shaking the tree. Prices were marked down regularly in the second half of the month while investors continued the buying strike they had initiated late in June. Holidays have also played a part in keeping things very quiet.

While the dollar sector was suffering the pain of unsold paper, the D-Mark sector and Swiss Franc sector were doing very well. So was the guilder sector.

By far the most dramatic figures were those relating to foreign D-Mark bonds: over DM 2bn worth of such paper was sold between the last week of June and the end of July. Even so, in early August the German Capital Markets Sub-Committee was able to schedule a calendar of new issues amounting to over DM 1bn, the highest issue scheduled—though not completed—since last January.

Most issues were well received and the limelight fell particularly on the World Bank because one third of a DM 700m public issue it arranged through Deutsche Bank was placed directly with the Saudi Arabian Monetary Agency. This is the first time SAMA has bought such a large proportion of a publicly quoted D-Mark foreign bond.

Some observers felt that the move signalled SAMA's willingness to play a more significant role in the market.

The only issues which met with a poor reception in this sector were those for less than prime quality names: Iberduero, of Spain, and Chile are good examples and they underline the fact that investors make a sharp distinction between bonds for different quality borrowers. While their appetite for prime names in D-Marks remain very strong, they are not prepared to buy Third World names, event when the coupon offered is more than 100 basis points higher.

In the Swiss Franc sector, as in the D-Mark one, yields continued to decline and the volume of new issues, while less spectacular than across the border to the North, continued at a very steady and healthy level. Japanese companies and a variety of Western borrowers, be they industrial names or state addresses continue to account for most of the new bond issues in Swiss Francs.

The tail end of last month witnessed a rare occurrence: a domestic sterling bond issue for a non-sterling area foreign borrower. Denmark became the first borrower to arrange such an issue in 18 years. This £75m 25-year issue carrying a coupon of 13 per cent is structured like a partly paid gilt edged security and differs from a Eurosterling issue in a number of ways. The commissions paid by the borrower to the bank leading the issue are much lower, the maturity much longer, the bonds registered rather than in bearer form and both the management and underwriting group essentially composed of British banks. Furthermore, most of the issue was placed by a London broker.

July also witnessed another rare type of security: a sterling denominated bond convertible on to U.S. shares for Kollmorgen Corporation, and the second convertible Eurosterling issue for a Japanese company, Orient Finance.

These various forms of sterling issues underline the increasingly international flavour of the London capital market.

CONTENTS

The table of quotations and yields gives the latest rates avaiable on 31st July, 1980. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but adequate means of checking its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will take in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

COMPILED FOR THE ASSOCIATION OF INTERNATIONAL BOND DEALERS BY INTERBOND SERVICES LTD. ★ A subsidiary of dataSTREAM International

Issued/ Amt. o/s ($m)	Year of issue/ Issue price	Borrower/ Coupon Maturity	Price	Yield to maturity/Yld. to avge. life	Current yield
		US DOLLARS-ALGERIA			
25	1977 100.00	BQUE EXT D'ALGERIE 9.00 15/ 8/1982	92	13.75	9.78
		US DOLLARS-ARGENTINA			
50	1979 96.50	ARGENTINE REPUBLIC 9.875 1/ 8/1984	92	12.54	10.73
		US DOLLARS-AUSTRALIA			
30 5.0	1963 97.50	AUSTRALIA,COMMONWEALTH 5.00 1/ 4/1983 S	89	10.02 14.29	5.70
25 .7	1960 98.00	AUSTRALIA,COMMONWEALTH 5.25 1/10/1980 S	98 3/4	13.38	5.39
25 1.4	1961 97.00	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1981 S	96	9.51 11.43	5.81
30 2.5	1962 98.25	AUSTRALIA,COMMONWEALTH 5.50 15/ 1/1982 S	92 1/8	11.47 13.75	6.06
30 3.3	1962 97.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 7/1982 S	91 5/8	10.70 13.94	6.09
25 3.5	1962 99.00	AUSTRALIA,COMMONWEALTH 5.60 1/10/1982 S	91	10.49 14.57	6.14
25 7.0	1965 98.50	AUSTRALIA,COMMONWEALTH 5.50 1/ 5/1985 S	89	8.52 10.43	6.18
25 6.3	1965 99.75	AUSTRALIA,COMMONWEALTH 5.75 1/11/1985 S	90	8.29 10.23	6.49
25 7.8	1967 97.50	AUSTRALIA,COMMONWEALTH 6.50 15/ 6/1982	92 3/8	11.22 11.79	7.06
100	1977 100.00	AUSTRALIA,COMMONWEALTH 7.50 1/ 9/1984	89 3/8	10.85	8.39
330	1978 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/ 4/1982	95 7/8	10.77	8.34
125	1976 99.88	AUSTRALIA,COMMONWEALTH 8.125 15/11/1983 S	93 1/2	10.78	8.83
75	1976 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 6/1981 S	98 5/8	10.23	8.54
120	1976 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/10/1983	93 3/8	10.81	8.84
125	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/12/1984 S	92 1/4	10.79	9.14
150 150.0	1977 100.00	AUSTRALIA,COMMONWEALTH 8.25 1/ 9/1992	82 1/4	10.96 11.78	10.03
175	1978 100.00	AUSTRALIA,COMMONWEALTH 8.45 1/ 6/1983 S	95 1/8	10.75	9.08
120	1976 100.00	AUSTRALIA,COMMONWEALTH 8.50 1/10/1986	91 1/4	10.48	9.32
50	1975 100.00	AUSTRALIA,COMMONWEALTH 8.75 15/ 6/1983 S	95 3/4	10.77	9.35
50	1976 99.63	AUSTRALIA,COMMONWEALTH 8.75 1/ 6/1986 S	92 1/4	10.84	9.71
60 60.0	1976 99.50	AUSTRALIA,COMMONWEALTH 8.75 1/10/1991	87 3/4	10.67 11.34	9.97
100 100.0	1977 98.88	AUSTRALIA,COMMONWEALTH 8.875 1/12/1997 S	84 1/8	11.23 11.86	10.83
75 75.0	1976 99.50	AUSTRALIA,COMMONWEALTH 9.00 15/11/1996 S	84 3/4	11.34 12.08	10.90
75 75.0	1978 99.63	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1993 S	87 7/8	11.19 11.64	10.65
75 71.3	1976 98.50	AUSTRALIA,COMMONWEALTH 9.125 1/ 6/1996 S	86 1/8	11.29 11.90	10.88
25 17.0	1975 99.00	PAPUA NEW GUINEA,GOVT OF 9.50 15/ 3/1983	97 3/8	10.65 11.02	9.76
25	1977 100.50	ALCAN AUSTRALIA 8.50 15/ 4/1989	84 3/8	11.41	10.07
60	1979 100.00	ALCOA OF AUSTRALIA 10.00 15/ 6/1989	90 1/4	11.82	11.08
25 12.5	1974 100.00	AUSTRALIAN IND DEVT CORP 10.25 1/12/1981	99	11.00 11.58	10.35
40 36.2	1977 100.00	AUSTRALIAN MIN & SMELT'G 9.25 15/ 6/1992	84 3/4	11.68 12.17	10.91
10	1977 100.50	AUSTRALIAN RESOURCES 8.25 1/12/1982	93	11.80	8.87
30 2-.0	1975 100.00	AUSTRALIAN RESOURCES 9.50 1/ 3/1983	96 3/4	10.96 11.06	9.82
30	1979 99.50	AUSTRALIAN RESOURCES 9.625 1/ 8/1984	94 5/8	11.37	10.17
42	1976 99.50	AUSTRALIAN SHIP COMM P 8.25 1/ 9/1983	99 1/8	8.57	8.32
30	1977 99.50	BROKEN HILL PROPS 8.00 1/ 4/1985	87	11.75	9.20
30 30.0	1977 99.00	BROKEN HILL PROPS 8.25 1/ 4/1989	83	11.42 11.90	9.94
30	1975 100.00	BROKEN HILL PROPS 9.50 1/ 5/1981	99 1/8	10.64	9.58
20 15.7	1975 98.50	BROKEN HILL PROPS 10.00 1/ 5/1990	93 1/4	11.15 11.45	10.72
20 13.0	1970 98.50	COMALCO INV EUROPE 9.50 1/11/1985	93 1/4	11.25 12.36	10.19
25 18.0	1975 100.00	COMALCO LTD 10.00 1/ 4/1987	94 1/2	11.19 11.51	10.58
40 40.0	1979 100.00	COMALCO INV EUROPE 10.25 15/ 7/1991	90	11.93 12.27	11.39
40 34.6	1976 100.00	HAMERSLEY HOLDINGS 8.50 1/ 1/1984	92 1/8	11.37 11.65	9.23
40 38.0	1976 100.00	HAMERSLEY HOLDINGS 9.50 1/ 1/1992	86 5/8	11.66 12.09	10.97
25 19.3	1972 100.00	HAMERSLEY IRON FIN 8.00 15/11/1987	86	10.86 12.21	9.30
20 12.5	1971 99.50	HAMERSLEY IRON FIN 9.00 1/ 5/1986	89 3/4	11.51 12.78	10.03
20 12.0	1970 97.00	HAMERSLEY IRON FIN 9.50 1/ 9/1985	93 1/2	11.24 12.42	10.16
35 26.6	1975 100.00	HAMERSLEY IRON FIN 10.00 1/ 6/1982	98	11.22 11.26	10.20
23 20.7	1972 99.75	K. MART(AUST)PROPERTIES 7.75 15/ 9/1984	87 1/2	11.73 11.90	8.86
36 34.2	1976 99.50	K MART(AUST)FIN 9.00 1/10/1988	89 1/2	11.47 11.64	10.06
25 17.5	1971 100.00	MOUNT ISA FIN 8.75 15/11/1986	85	12.29 13.96	10.29
10	1976 100.00	TNT INTL FIN WW 9.00 1/ 7/1983	117 1/2	2.68	7.66

Issued/ Amt. o/s ($m)	Year of issue/ Issue price	Borrower/ Coupon Maturity	Price	Yield to maturity/Yld. to avge. life	Current yield
		US DOLLARS-AUSTRALIA (CONTINUED)			
10	1976 100.00	TNT INTL FIN WW 9.00 1/ 7/1983	87 1/2	14.56	10.29
23 20.0	1977 100.00	TNT OVERSEAS FIN 9.00 15/ 8/1987	82	13.06 14.17	10.98
50 50.0	1977 100.00	WESTERN MINING CORP 9.00 15/10/1992	81 7/8	11.87 12.49	10.99
15 11.3	1975 99.00	WESTERN MINING CORP 9.75 1/ 5/1982	98 1/4	10.84 10.90	9.92
		US DOLLARS-AUSTRIA			
18 4.8	1964 99.00	AUSTRIA,REPUBLIC OF 6.00 31/ 1/1984 S	94 3/4	7.89 9.12	6.49
23 4.0	1967 98.50	AUSTRIA,REPUBLIC OF 6.75 15/ 3/1982 S	94 3/4	10.60 12.07	7.25
50	1977 100.00	AUSTRIA,REPUBLIC OF 7.80 15/ 7/1984 S	90 7/8	10.97	8.77
50 50.0	1977 100.00	AUSTRIA,REPUBLIC OF 8.625 15/ 7/1992 S	83 3/4	11.42 12.34	10.56
50 41.0	1976 100.00	AUSTRIA,REPUBLIC OF 8.75 15/ 3/1990	87	10.94 11.26	10.06
50	1975 100.00	AUSTRIA,REPUBLIC OF 9.00 15/ 7/1982 S	97 5/8	10.64	9.43
12 5.2	1965 97.00	ALPINE MONTAN STEEL 5.75 15/ 6/1985	90 1/8	8.29 9.71	6.38
15 5.4	1966 96.50	AUSTRIAN ELECTRICITY 6.625 1/ 7/1986 S	97 1/2	7.28 7.60	6.91
18 4.1	1967 95.50	AUSTRIAN ELECTRICITY 6.75 1/10/1982 S	97 7/8	7.98 8.88	7.02
50	1977 100.25	OSTERREICHE KONTROLLBANK 7.00 1/10/1980	99	13.06	7.07
50	1977 100.50	OSTERREICHE KONTROLLBANK 7.50 1/10/1982	93 5/8	10.93	8.01
50	1976 100.00	OSTERREICHE KONTROLLBANK 8.00 1/10/1981 S	97 5/8	10.45	8.36
50	1980* 98.50	OSTERREICHE KONTROLLBK 10.00 15/ 7/1985	97	10.81	10.31
30 30.0	1977 100.50	ZAGREBACKA BANKA 8.25 15/ 3/1987	87 1/8	11.07 11.73	9.47
		US DOLLARS-BELGIUM			
75 75.0	1973 100.00	MAFINA B.V. WW 4.50 1/ 7/1988	83 3/8	7.34 8.38	5.40
75 75.0	1973 100.00	MAFINA B.V. XW 4.50 1/ 7/1988	72 5/8	9.59 11.46	6.20
40	1977 99.50	MAFINA B.V. P 7.875 15/ 9/1984	89 1/2	11.18	8.80
40 40.0	1977 99.00	MAFINA B.V. 8.00 1/ 9/1987	85 1/8	11.14 12.07	9.40
50	1976 100.50	SOC NAT DE CREDIT IND P 8.25 15/10/1981	97 1/2	10.50	8.46
15	1977 100.00	SOLVAY FINANCE 7.75 1/ 3/1984	86 1/2	12.62	8.96
		US DOLLARS-BOLIVIA			
35	1977 100.00	BOLIVIA,REPUBLIC OF L 10.25 15/ 4/1982 S	89	18.79	11.85
		US DOLLARS-BRAZIL			
35 19.9	1972 99.50	BRAZIL,REPUBLIC OF 8.25 1/12/1987 S	82 5/8	12.21 14.77	10.25
85	1977 100.00	BRAZIL,REPUBLIC OF 9.00 1/ 8/1982 S	95 1/8	12.16	9.69
75	1976 99.00	BRAZIL,REPUBLIC OF 9.25 1/ 1/1984	86 7/8	14.31	10.65
50	1976 100.00	BRAZIL,REPUBLIC OF 10.00 15/ 5/1986 S	96 1/8	11.21	10.67
50	1977 99.00	BANCO NAC DO DESEN ECON 9.25 1/ 7/1984	86 5/8	13.89	10.66
50	1977 100.00	LIGHT-SERVICOS DE ELET 9.00 1/10/1982	92	13.45	9.78
		US DOLLARS-CANADA			
250	1978 100.20	CANADA 8.00 1/ 4/1983 S	94 1/4	10.80	8.67
250	1978 100.00	CANADA 8.20 1/10/1985 S	91 3/8	10.66	9.18
250	1978 99.75	CANADA 8.625 1/ 4/1998 S	80 3/8	11.51	11.02
400	1978 100.00	CANADA 9.00 15/10/1983 S	96 1/4	10.67	9.57
350	1978 100.00	CANADA 9.25 15/10/1998 S	84 1/2	11.38	11.25
50 45.0	1976 100.50	ALUMINIUM CO OF CANADA 9.50 15/ 4/1988	91 7/8	11.10 11.52	10.35
30	1979* 99.50	AQUITAINE CO CANADA 11.25 15/ 1/1985	97 7/8	11.84	11.49
20 18.2	1976 100.00	AVCO FIN SERV-CANADA 9.25 15/ 9/1983	94 3/8	11.47 12.33	9.80
100	1977 100.00	BELL-CANADA 7.75 1/ 5/1987	84 1/4	11.18	9.20
60	1976 100.75	BELL-CANADA 8.75 15/ 7/1986	89 1/2	11.26	9.78
200	1976 99.25	BELL-CANADA 8.75 1/ 4/2006 S	76 1/2	11.98	11.76
200	1978 100.00	BELL-CANADA 9.00 15/ 1/2008 S	78 7/8	11.89	11.74
50	1980* 100.00	BS-KT 13.25 15/ 5/1985	105 5/8	11.62	12.54
20 15.5	1972 100.00	BRASCAN 1ST 8.25 1/10/1987	89 1/4	10.44 11.64	9.24
30	1976 100.00	BRASCAN 1ST 9.75 1/ 5/1982	96 1/2	12.02	10.10
75	1977 100.00	BRITISH COLUMBIA HYDRO 7.75 15/ 5/1985	87 5/8	11.21	8.84
150	1975 99.75	BRITISH COLUMBIA HYDRO 9.625 1/ 6/2005 S	83 3/4	11.97	11.82
20	1976 98.50	BUDD AUTO CO OF CANADA 9.50 15/ 4/1983	94 1/4	12.06	10.08
70	1978 99.00	CANADAIR 8.50 15/ 6/1983	93 1/2	11.25	9.09

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Issued / Est. O/S (mn)	Year of issue / Issue price	Borrower / Coupon Maturity	Price	Yield to maturity / to av life	Current yield
		US DOLLARS-SWEDEN (CONTINUED)			
20 13.8	1975 98.00	[illegible] 9.75 1/ 5/1985	93 1/4	11.65 12.02	10.46
50 40.0	1976 100.00	KOCKUMS 8.00 15/11/1983	95 1/4	9.73 11.07	8.40
30 7.3	1966 97.25	L.M. ERICSSON 6.50 15/ 3/1986 S	83 7/8	10.62 10.36	7.90
35	1976 100.00	L.M. ERICSSON 8.50 15/ 9/1983	92 5/8	11.42	9.18
30 28.0	1977 100.50	L.M. ERICSSON 8.50 15/ 4/1989	86 1/2	10.97 11.70	9.83
30 16.9	1970 99.50	L.M. ERICSSON 9.25 1/12/1985	95 3/4	10.30 10.77	9.66
35 30.4	1976 100.00	L.M. ERICSSON 9.25 15/ 9/1991	89 1/2	10.92 11.07	10.34
35	1976 100.00	MO OCH DOMSJO 9.00 15/10/1986	81 1/8	13.68	11.09
25	1976 100.00	MO OCH DOMSJO 9.50 15/ 2/1983	93	12.83	10.22
50	1977 99.75	SAAB-SCANIA 8.50 15/ 3/1989	80 3/4	12.21	10.53
15 11.3	1976 98.50	SANDVIK 9.00 1/ 8/1986 S	91 3/4	11.21 12.26	10.05
30 24.0	1976 100.50	SANDVIK 9.50 15/ 4/1986	93 3/8	11.10 11.60	10.17
30 25.0	1972 100.25	SCANRAFF 7.50 15/12/1990	84 3/8	9.97 10.89	8.88
30 26.5	1973 99.75	SCANRAFF 8.625 15/10/1988	87 7/8	10.92 11.30	9.82
40 35.5	1976 100.00	SKANDINAVISKA ENSKILDA 9.00 1/12/1991	85 1/2	11.32 12.16	10.53
30 25.1	1977 100.50	SKF 8.00 15/ 1/1987	85 5/8	11.29 12.21	9.37
20 20.0	1976 99.50	SODRA SKOGSAGARNA 9.50 15/12/1986	82	13.90 15.93	11.59
20 16.5	1976 99.50	SPARBANKERNAS BANK 8.75 1/ 9/1983	94 7/8	10.78 12.46	9.22
30 24.5	1977 100.00	SPARBANKERNAS BANK 8.75 15/ 1/1988	88 3/8	11.10 12.39	9.90
40	1977 100.50	STATSFORETAG 7.75 1/ 2/1982	95 3/8	11.19	8.13
30	1975 99.00	STATSFORETAG 9.25 15/ 9/1980	99 3/8	14.17	9.31
30 30.0	1977 100.00	STOCKHOLM,CITY OF 8.875 15/ 2/1992 S	84 1/2	11.63 12.59	10.78
60 60.0	1979 99.00	STOCKHOLM,CITY OF 9.75 15/ 3/1994 S	86 1/2	12.10 12.62	11.59
30 25.0	1976 99.00	SVENSKA HANDELSBANKEN 9.25 1/ 3/1986	89 3/8	11.93 12.87	10.35
25 12.4	1976 100.00	SWEDISH EXPORT CREDIT 7.875 15/10/1983 P S	92 1/2	10.98 13.38	8.69
25 7.5	1975 99.00	SWEDISH EXPORT CREDIT 9.00 15/ 4/1982	98	10.28 10.82	9.18
20 18.6	1979 100.00	SWEDISH EXPORT CREDIT 9.50 15/ 4/1986 P S	94	11.23 12.14	10.36
40	1980* 99.50	SWEDISH EXPORT CREDIT 12.50 1/ 5/1985	102 3/8	11.78	12.21
15 11.5	1973 100.00	SWEDISH INVESTMENT BANK 7.50 15/ 1/1988	83	10.93 12.74	9.04
15 11.5	1972 99.00	SWEDISH INVESTMENT BANK 7.75 1/11/1987	86 3/8	10.51 12.08	8.97
25 15.0	1976 100.00	SYDKRAFT 9.25 15/ 9/1986	88	12.12 13.37	10.51
30 16.2	1976 100.00	UDDEVALLAVARVET 7.75 1/12/1983 P S	91 1/2	11.14 13.50	8.65
23 23.0	1977 100.00	UDDEVALLAVARVET 7.75 15/ 9/1984 P	88 1/2	11.36 12.52	8.76
25 21.4	1972 100.50	VOLVO 8.00 1/ 9/1987	83 5/8	11.50 13.02	9.57
35	1977 100.00	VOLVO 8.00 1/ 3/1987	82 1/8	12.06	9.74
25	1975 99.50	VOLVO 9.50 1/ 3/1985	94 7/8	10.95	10.01
		US DOLLARS-SWITZERLAND			
35 5.8	1971 100.00	ALUSUISSE INT 7.00 1/ 7/1981 XW	97 5/8	9.80	7.17
75	1977 100.00	FIAT FIN CORP 8.00 1/ 8/1982	92 3/4	12.31	8.63
35 24.5	1972 98.50	SWISS ALUMINIUM AUST LTD 8.00 1/ 7/1987	86 1/8	10.96 12.70	9.29
		US DOLLARS-VENEZUELA			
100	1977 99.89	VENEZUELA,REPUBLIC OF 7.875 15/ 6/1982 S	94 1/2	11.51	8.51
100	1977 99.50	VENEZUELA,REPUBLIC OF 8.00 15/ 2/1984	89 1/2	11.76	8.94
100	1977 99.75	VENEZUELA,REPUBLIC OF 8.125 15/10/1984 S	89 1/2	11.64	9.28
50 50.0	1977 99.50	VENEZUELA,REPUBLIC OF 8.75 15/10/1992 S	79 7/8	12.27 13.37	11.25
15 10.1	1972 100.00	VENEZUELA TEL 8.25 15/12/1987 S	81	12.60 14.22	10.44
		US DOLLARS-UTD KINGDOM			
200	1978 100.00	UNITED KINGDOM 8.50 1/ 5/1985 S	92 7/8	10.71	9.36
150 150.0	1978 99.00	UNITED KINGDOM 8.875 1/ 5/1993 S	85 1/2	11.32 11.88	10.65
30 27.0	1973 100.00	AIRLEASE INT FIN 8.75 1/10/1988	89 1/2	10.73 12.08	9.78
20 14.0	1971 100.00	AIRLEASE INT FIN 9.00 1/ 8/1986	92	10.88 12.35	9.78
30 30.0	1979 99.00	ALEXANDER HOWDEN FIN 9.50 1/ 6/1991 WW	84 1/4	12.18 12.80	11.28
30 30.0	1979 99.00	ALEXANDER HOWDEN FIN 9.50 1/ 6/1991 XW	74 1/2	14.24 15.32	12.75
60 30.0	1977 100.50	ASHLAND OIL (GB) 7.50 1/ 5/1982	95 1/2	10.40 11.39	7.85
20 14.5	1972 99.50	B.I.C.C. FIN 7.75 1/ 2/1987	82 3/8	11.75 14.30	9.41
		US DOLLARS-UTD KINGDOM (CONTINUED)			
30 21.0	1971 100.00	BARCLAYS BANK INT 8.25 1/12/1986	89 3/8	10.62 12.21	9.23
50 30.0	1976 100.00	BARCLAYS BANK INT 9.125 1/ 4/1985 F	89	12.31 13.94	10.25
25 23.0	1976 100.00	BARCLAYS BANK INT 9.125 15/ 4/1987	89	11.55 11.86	10.25
50	1975 100.00	BARCLAYS BANK INT 9.25 1/ 7/1982	97 5/8	10.66	9.48
100	1977 100.00	BARCLAYS O'SEAS INVEST 8.50 15/ 9/1992	81 3/4	11.33	10.40
1	1967 100.00	BEECHAM INT 6.25 31/ 7/1981 S	95 3/4	11.14	6.63
45 28.5	1971 100.00	BEECHAM INT 8.25 1/ 2/1986	87 5/8	11.37 12.51	9.42
50 30.0	1977 100.00	BOWATER CORP 9.25 15/ 5/1992	85 5/8	11.53 12.02	10.80
30	1976 100.00	BOWATER CORP 9.75 15/ 7/1986	90 1/8	12.17	10.82
40	1976 100.00	BRITISH GAS 9.00 1/ 2/1981	98 7/8	11.18	9.10
16 12.8	1972 99.00	BRITISH LAND 8.00 1/11/1987	78 3/4	12.62 15.94	10.16
50	1980* 99.50	BRITISH OXYGEN FIN 10.75 15/ 7/1990	89 1/8	12.73	12.06
65 65.0	1977 100.00	BRITISH SHIPBUILDERS 9.00 1/11/1992	74	13.42 14.03	12.16
50 45.0	1974 99.00	BRITISH STEEL CORP 8.625 15/ 1/1989	88 1/2	10.74 11.66	9.75
30 28.0	1972 100.00	CADBURY SCHWEPPES O/S 7.75 15/10/1990	75 7/8	11.95 13.49	10.22
25 13.7	1973 98.50	CAPITAL & COUNTIES PROP 9.00 1/11/1988	82 1/4	12.56 14.89	10.94
50 49.0	1977 99.50	CAVENHAM INTL BV 9.50 15/12/1987	85 7/8	12.52 13.74	11.06
30 27.2	1971 100.00	COMMERCIAL UNION 8.50 15/12/1986	89 1/2	10.84 11.98	9.50
20 4.3	1970 100.00	COURTAULDS INT FIN 9.00 1/ 2/1982 S	96	12.35 13.84	9.39
20 11.5	1970 98.00	COURTAULDS INT FIN 9.25 1/10/1985	94 3/8	10.71 11.42	9.80
20	1974 99.75	COVENTRY,CITY OF 8.875 1/ 2/1981	98 3/4	11.33	8.99
25 17.0	1973 100.00	DUNDEE,CITY OF 9.25 15/10/1983	96 3/8	10.61 11.61	9.60
25	1973 100.00	EDINBURGH,CITY OF 9.00 1/11/1981	97 1/2	11.17	9.23
50	1976 99.50	ELECTRICITY COUNCIL 8.75 15/ 3/1981	98 5/8	10.97	8.87
15 4.5	1967 98.50	EMI 6.75 15/11/1982	90 3/4	11.54 15.08	7.44
50 30.0	1977 100.00	EMI FINANCE BV 9.25 15/ 4/1989	84 1/4	12.27 12.77	10.98
20 16.0	1972 100.50	FISONS 8.25 1/ 7/1987	83 5/8	11.84 13.54	9.87
20 20.0	1977 100.00	FISONS INT FIN 8.75 1/ 8/1992	78 1/4	12.31 13.65	11.18
25 16.5	1971 100.00	G.U.S. INTERNATIONAL 8.50 1/ 3/1986	88 5/8	11.33 13.03	9.59
15 12.5	1974 100.00	G.U.S. INTERNATIONAL 9.50 5/ 4/1989	89 5/8	11.49 12.31	10.60
25 20.0	1975 100.00	GOLD FIELDS (RHODESIA) 10.25 15/ 7/1985	93 5/8	12.02 12.38	10.95
25 21.0	1972 98.50	GRAND METROPOLITAN HOTEL 7.50 15/12/1987	80 5/8	11.32 13.82	9.30
13 7.8	1970 100.00	GRAND METROPOLITAN HOTEL 9.25 1/ 1/1986	91 1/8	11.31 12.91	10.15
30 22.8	1972 98.75	GUARDIAN ROYAL EXCHANGE 8.00 1/ 7/1987	83 7/8	11.50 12.41	9.54
25 21.0	1972 100.50	HAMBROS 7.75 1/10/1987	83 1/8	11.30 12.38	9.32
24 13.8	1970 100.00	HAMBROS 9.50 15/12/1985	96 7/8	10.26 10.60	9.81
20	1970 98.50	HILL SAMUEL GROUP 7.00 31/ 3/1982 XW	90 1/2	13.68	7.73
20 14.0	1971 100.00	HILL SAMUEL GROUP 8.50 15/11/1986	87	11.49 13.37	9.77
30 12.0	1967 99.50	ICI LTD 6.50 15/ 3/1982	93 7/8	10.76 12.72	6.92
50 40.5	1972 100.00	ICI INT FIN 7.50 1/ 2/1992	82 1/8	10.20 12.29	9.13
100 100.0	1977 100.00	ICI INT FIN 8.25 1/ 1/1987	86 7/8	11.20 11.85	9.50
100	1980* 100.00	ICI FIN NETHERLANDS 11.00 1/ 6/1983	99 7/8	11.02	11.01
25 22.0	1972 100.00	KLEINWORT BENSON 8.25 15/ 5/1987	85 7/8	11.33 12.57	9.61
30 15.0	1973 100.00	LANCASHIRE C.C. 9.50 15/ 9/1981	98 3/4	10.69 11.81	9.62
30 23.8	1973 100.00	LEGAL & GENERAL ASSCE 7.625 1/ 2/1988	82 1/2	11.17 12.65	9.24
40	1980* 100.00	LONRHO INTERNATIONAL FIN 12.00 15/ 7/1988	90 1/2	14.05	13.26
50 17.0	1973 99.50	MANCHESTER,CITY OF 8.25 15/ 5/1981	99	9.54	8.33
25 22.0	1973 100.25	MET ESTATES & PROP 8.00 1/ 2/1991	78 5/8	11.61 13.04	10.17
15 9.6	1971 100.00	MET ESTATES & PROP 8.75 1/12/1986	89 3/4	11.06 12.39	9.75
75 75.0	1976 99.00	MIDLAND INTL FIN SERVICE 8.75 1/12/1985	90 1/4	10.94 11.30	9.70
75 75.0	1977 100.50	MIDLAND INTL FIN SERVICE 8.75 1/ 9/1992	83 5/8	11.29 11.92	10.46
30 23.8	1972 100.50	NATIONAL & GRINDLAYS BNK 7.75 15/11/1987	82 1/2	11.39 12.81	9.39
100 95.0	1977 99.00	NATIONAL COAL BOARD 8.00 1/ 9/1987	86 1/8	10.91 11.50	9.29
50	1976 99.50	NATIONAL COAL BOARD 8.625 15/ 7/1981	98 1/4	10.63	8.78
50 44.0	1973 99.00	NATIONAL COAL BOARD 8.625 15/10/1988	88	10.90 11.95	9.80

CANADIAN DOLLARS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
20	1976 / 99.50	B.C. CENTRAL CREDIT UNIONS 9.75 22/12/1981	95 5/8	13.28	10.20
25	1977 / 100.00	BQ-RT 9.75 1/6/1982	92 3/4	12.74	9.33
60	1979* / 100.00	BELL CANADA 10.75 1/10/1976	95	11.92	11.32
50	1977 / 99.00	BENEFICIAL FIN INT 9.00 15/2/1982	91 7/8	12.09	9.85
25	1975 / 100.00	BENEFICIAL FIN INT 9.75 15/12/1982	92	13.86	10.60
20	1975 / 100.00	BENEFICIAL FIN INT 10.25 15/10/1981	95 3/4	14.22	10.70
25	1975 / 100.00	BORG-WARNER ACCEPT-CAN 10.25 1/12/1980	99 1/4	15.69	10.43
25	1977 / 100.00	BRITISH COLUMBIA M.F.A L 9.00 1/6/1997	86 3/4	10.44	10.14
15 / 7.5	1976 / 99.00	BRITISH COLUMBIA M.F.A 9.25 15/5/1981	96	14.84	9.64
25	1975 / 99.00	BRITISH COLUMBIA M.F.A 9.25 30/6/1982	94 5/8	12.57	9.78
26	1979 / 100.00	BRITISH COLUMBIA M.F.A L 10.25 15/5/1999	89 1/4	11.67	11.48
20	1976 / 99.00	CALGARY POWER 9.75 15/5/1982	95 3/4	12.48	10.18
25	1976 / 100.00	CANADA PERM MORT CORP 9.75 1/11/1981	95 1/2	13.85	10.21
25	1976 / 100.00	CANADA TRUSTCO MORTGAGE 9.25 1/12/1981	95 3/4	12.82	9.66
35	1977 / 100.00	CANADIAN ACCEPTANCE P 9.375 15/10/1982	92 3/4	13.62	10.16
60	1980* / 100.00	CANADIAN IMP BK COMMERCE 11.50 15/[illegible]/1985	97 1/4	12.27	11.82
50	1980* / 99.50	CANADIAN IMP BK COMMERCE 13.50 15/5/1985	102 3/4	12.66	13.14
60	1977 / 99.25	CANADIAN NAT RAIL [illegible] 8.875 1/3/1987	87 1/4	11.73	10.17
25	1976 / 100.00	CANADIAN PACIFIC SECS 9.25 15/4/1982	92 3/4	12.52	9.97
35	1975 / 100.50	CANADIAN PACIFIC SECS 9.75 15/12/1981	96	13.70	10.16
25	1977 / 100.00	CHRYSLER CREDIT - CANADA 9.25 15/6/1982	70	33.09	13.21
30	1976 / 99.00	CHRYSLER CREDIT - CANADA 9.50 15/10/1982	70	29.79	13.57
20	1976 / 100.00	CONN CREDIT CORP - CANADA 9.75 15/5/1981	96	15.35	10.16
30	1977 / 100.00	CREDIT FONCIER F-CAN 8.75 15/2/1982	94	13.21	9.31
20	1976 / 100.00	CREDIT FONCIER F-CAN 9.75 15/2/1981	97 1/8	15.35	10.04
25	1976 / 100.00	CREDIT FONCIER F-CAN 9.75 15/7/1981	97	13.27	10.05
35	1979* / 100.00	CREDIT FONCIER F-CAN 10.375 15/9/1984	92 1/4	12.69	11.25
15	1977 / 100.00	DRESSER IND (CANADA) P 8.50 15/3/1982	93	13.50	9.14
50	1976 / 100.00	EC PORT OF CANADA 9.50 15/2/1981	97 3/4	13.80	9.72
50	1976 / 100.50	EUROPEAN COAL & STEEL 9.00 15/3/1983	93 3/4	11.76	9.60
25	1977 / 100.50	EUROPEAN COAL & STEEL 9.00 15/4/1984	92 1/4	11.66	9.76
50	1979 / 100.00	EXPORT DEVELOPMENT CORP 10.00 15/5/1984	94 1/4	11.94	10.61
60	1980* / 100.00	FEDERAL BUSINESS DEV BK 11.50 15/7/1990	95 1/8	12.37	12.09
25	1975 / 100.00	FIRST CANADIAN INVEST 10.00 1/1/1981	97 3/8	14.53	10.27
50	1979 / 100.50	FIRST CANADIAN INVEST 10.00 15/5/1984	92 5/8	12.53	10.80
20	1977 / 100.00	FORD MOTOR CREDIT-CANADA 8.50 15/5/1984	87	13.03	9.77
20	1977 / 99.50	FORD MOTOR CREDIT-CANADA 8.75 15/5/1987	83 1/2	12.47	10.48
50	1976 / 99.50	FORD MOTOR CREDIT-CANADA 9.25 1/2/1983	92	13.14	10.05
40	1976 / 100.00	FORD MOTOR CREDIT-CANADA 9.50 15/7/1982	92 3/4	13.05	10.24
40	1975 / 100.00	FORD MOTOR CREDIT-CANADA 9.75 1/11/1980	97 3/4	19.68	9.97
5	1976 / 100.00	GENELCAN D 9.00 15/11/1981	95	13.37	9.47
20	1975 / 100.00	GENELCAN D 9.50 1/12/1982	91 1/2	13.94	10.38
25	1977 / 100.00	GENERAL FOODS LTD 9.50 1/5/1984	89	12.70	9.55
30	1976 / 100.50	GEN MOTORS ACCEPTANCE 9.00 15/10/1981	96 1/2	12.79	9.33
50	1976 / 100.00	GEN MOTORS ACCEPTANCE 9.00 1/2/1981	95 1/4	12.97	9.45
40	1976 / 100.00	GEN MOTORS ACCEPTANCE 9.25 1/6/1985	92 5/8	11.64	9.99
50	1975 / 100.00	GEN MOTORS ACCEPTANCE 9.50 15/10/1981	97 1/4	12.00	9.77
50 / 50.0	1976 / 100.00	GEN MOTORS ACCEPTANCE 9.50 1/2/1985	90 1/4	12.52 / 12.90	10.54
35 / 30.0	1976 / 100.00	GEN MOTORS ACCEPTANCE 9.75 15/10/1985	90 3/4	11.54 / 11.95	10.74
50	1980* / 99.75	GEN MOTORS ACCEPTANCE 12.00 15/6/1985	96 1/2	12.93	12.38
25	1977 / 100.00	WALTER E.HELLER (CAN) 9.50 15/7/1984	86 3/8	14.23	11.00
15	1976 / 99.50	WALTER E.HELLER (CAN) 9.75 15/5/1981	95 1/2	15.56	10.21
35	1975 / 100.50	HUDSON'S BAY 10.25 15/11/1981	95 1/2	14.18	10.73
60 / 60.0	1979 / 100.00	HUDSON'S BAY 10.50 15/4/1989	91 1/4	12.16 / 12.45	11.51
25	1976 / 100.00	IAC LIMITED 9.50 15/5/1981	95 7/8	15.28	9.91

CANADIAN DOLLARS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
25	1977 / 100.00	INT HARVESTER CREDIT-CAN 8.75 1/2/1983	86 3/8	15.67	10.13
25 / 22.0	1976 / 99.50	INT HARVESTER CREDIT-CAN 9.75 15/4/1986	85	13.67 / 14.57	11.47
30	1975 / 100.50	INT HARVESTER CREDIT-CAN 10.25 1/9/1981	93 1/8	17.70	11.01
25	1976 / 100.00	ISE CANADIAN FINANCE 9.50 1/8/1982	93 5/8	13.34	10.15
25 / 22.5	1976 / 100.00	ISE CANADIAN FINANCE 10.00 1/7/1986	94	11.44 / 11.71	10.64
50	1976 / 99.50	KINROSS MORT.CORP 9.25 15/6/1982	94 7/8	12.45	9.75
20	1977 / 100.00	LAURENTIDE FIN CORP 9.50 30/6/1982	92 1/2	14.23	10.27
20	1976 / 99.00	LAVAL,CITY OF 10.00 1/7/1996	91	11.23	10.99
25	1977 / 100.50	MAC BAS LEASING CANADA 8.25 15/5/1982	93 1/8	12.73	8.86
15 / 15.0	1975 / 99.50	MANITOBA,PROVINCE OF 9.25 30/4/1985	92 5/8	11.32 / 11.55	9.99
40	1979 / 99.00	MONTREAL,CITY OF 10.00 1/6/1999	86 3/4	12.55	12.59
5	1975 / 98.50	MONTREAL EAST,TOWN OF 9.75 18/7/1982	85	19.66	11.47
20 / 19.0	1975 / 100.00	NEWFOUNDLAND,PROVINCE OF 9.50 15/5/1983	93 1/8	12.53 / 12.64	10.20
30	1975 / 100.25	NEWFOUNDLAND,PROVINCE OF 10.25 15/12/1985	94 1/8	11.75	10.89
10	1975 / 99.50	NORANDA MINES 9.75 1/11/1980	98 1/4	16.84	9.92
25	1976 / 100.00	NORANDA MINES 8.75 15/7/1982	95 3/8	12.55	10.22
20	1976 / 99.50	[illegible] 15/4/1982	94 1/8	12.38	10.36
18	1974 / 99.25	NOVA SCOTIA POWER L 9.50 1/7/1994	97	9.90	9.79
30	1976 / 100.00	NOVA SCOTIA,PROVINCE OF 9.00 15/12/1983	93 1/2	11.39	9.63
35	1976 / 109.50	PANCANADIAN PETROL 9.75 15/11/1983	93 1/4	12.32	10.46
5	1975 / 96.50	POINTE-AUX-TREMBLES 9.75 18/7/1982	80	23.59	12.19
20	1976 / 100.00	PROVINCIAL BANK-CANADA 9.50 15/2/1982	93	14.79	10.22
15	1975 / 100.00	QUEBEC,CITY OF L 10.00 15/11/1995	93	10.95	10.75
15	1976 / 100.00	QUEBEC,CITY OF L 10.75 15/10/1996	96	12.32	11.20
50	1975 / 99.00	QUEBEC HYDRO-ELECTRIC 9.50 15/10/1981	97	12.24	9.79
50	1979 / 100.00	QUEBEC,PROVINCE OF 10.25 15/4/1986	92 5/8	12.08	11.07
15	1977 / 100.00	QUEBEC URBAN COMMUNITY 9.50 3/2/1982	92	15.74	10.33
15	1977 / 99.00	QUEBEC URBAN COMMUNITY 9.50 15/9/1984	90	12.75	10.56
15	1976 / 99.50	QUEBEC URBAN COMMUNITY 9.75 26/5/1983	91	13.77	10.71
20	1977 / 100.00	RANK OVERSEAS HOLDINGS 9.50 15/6/1982	91	15.34	10.44
40	1977 / 100.50	ROYAL BANK OF CANADA 8.00 15/2/1984	88 1/4	12.25	9.07
25	1976 / 100.00	ROYAL BANK OF CANADA 8.75 1/4/1981	95	15.17	9.21
20 / 20.0	1977 / 100.00	ROYAL BANK OF CANADA 9.00 15/1/1992	84	11.56 / 11.88	10.71
35 / 25.0	1976 / 100.00	ROYAL BANK OF CANADA 9.50 1/4/1988	89 3/4	11.59 / 12.24	10.58
40	1974 / 100.50	ROYAL BANK OF CANADA 10.00 15/5/1986	93 1/2	11.58	10.70
45 / 40.0	1979 / 100.00	ROYAL BANK OF CANADA 10.00 15/5/1994	87 5/8	11.85 / 12.01	11.41
20	1976 / 100.00	ROYAL TRUST CO MORTGAGE 9.50 15/2/1981	97	15.27	9.79
20	1976 / 100.00	ROYAL TRUST CO MORTGAGE 9.75 1/9/1982	94 3/4	12.75	10.29
30	1975 / 100.00	RYMAPINE LEASING 9.50 15/10/1980	98 1/4	18.22	9.67
30	1975 / 100.50	ROYNOF 9.75 1/2/1982	95 1/4	13.33	10.24
15	1975 / 99.75	ROYNAT 9.50 1/9/1980	98 1/4	32.55	9.67
20	1976 / 99.50	ROYNAT 9.50 1/7/1981	96 1/4	14.08	9.87
25	1976 / 99.50	SIMPSON-SEARS ACC.CO 9.00 15/8/1982	92 7/8	12.76	10.50
25	1976 / 100.00	TEXASGULF CANADA 9.50 15/6/1982	94 1/2	13.12	10.08
25 / [illegible]	1976 / [illegible]	TEXASGULF CANADA 10.00 1/6/1986	95	11.19 / 11.36	10.53
50	1976 / 100.50	TORONTO-DOMINION BANK 9.00 1/4/1982	95 1/8	12.33	9.44
35	1975 / 100.50	TORONTO-DOMINION BANK 9.75 1/11/1981	97 1/2	11.93	10.00
30	1980* / 100.00	TORDOM CORPORATION 13.50 15/5/1985	102 3/4	12.66	13.14
25	1976 / 100.00	TRADERS GROUP 9.00 15/3/1982	95 3/8	14.51	10.44
15	1975 / 100.50	TRANS CANADA FIN CANADA 10.50 1/12/1980	98 3/8	15.31	10.67
30	1976 / 100.00	UNION CARBIDE OF CANADA 9.25 1/5/1982	94 3/4	12.71	9.76
30 / 25.5	1976 / 99.00	UNION CARBIDE OF CANADA 9.75 1/1/1986	92 7/8	11.49 / 11.73	10.50

EUROGUILDERS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
60	1977 / 99.50	AKZO 7.50 1/10/1984	93 1/4	9.52	8.04
50	1976 / 99.50	AKZO 10.00 1/10/1981	100 1/2	9.47	9.95

EUROGUILDERS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
75	1978 / 99.50	ALGEMENE BANK 6.25 15/5/1983	94 3/8	8.59	6.62
75	1979* / 100.00	ALGEMENE BANK NEDERLAND 8.25 15/9/1984	97	9.14	8.51
75	1976 / 99.75	ALUSUISSE INT 8.25 15/3/1983	99 5/8	8.38	8.28
75 / 75.0	1979* / 100.00	AMEV 8.50 1/10/1986	96 1/4	9.32 / 9.34	8.83
75	1975 / 99.50	AMRO BANK 8.25 15/9/1981	99 1/4	8.94	8.31
75	1976 / 99.50	AMRO BANK 9.25 1/11/1982	99 3/4	9.40	9.27
70	1978 / 100.00	AMRO BANK 7.00 1/3/1983	96 5/8	8.48	7.24
60	1980* / 100.00	AMRO BANK 10.25 1/6/1985	102 1/4	9.63	10.02
75	1976 / 99.75	ASIAN DEVELOPMENT BANK 8.25 1/3/1983	97 7/8	9.17	8.43
100	1976 / 100.00	AUSTRALIA,COMMONWEALTH 8.00 1/6/1983	98 1/4	8.29	8.06
75	1977 / 99.75	AUSTRIA,REPUBLIC OF 7.25 15/11/1986	93 1/2	9.18	7.75
70	1975 / 100.00	AUSTRIA,REPUBLIC OF 8.25 15/7/1982	97 1/2	9.72	8.46
75	1975 / 100.00	AUSTRIA,REPUBLIC OF 9.25 1/5/1982	99 1/2	9.55	9.30
50	1975 / 99.25	AUSTRIAN ELECTRICITY 8.75 15/5/1982	98 1/2	9.66	8.88
75	1978 / 100.00	BANK MEES & HOPE 7.00 1/4/1983	95	9.17	7.37
75	1977 / 100.00	BANK MEES & HOPE 7.75 15/5/1982	97 7/8	9.05	7.92
60	1975 / 99.75	BANK MEES & HOPE 8.25 15/12/1981	99 3/8	8.69	8.30
75	1980* / 100.00	BANK MEES & HOPE 10.00 1/8/1985	101	9.74	9.90
75	1978 / 99.50	BRAZIL,REPUBLIC OF 7.50 1/7/1983	90 5/8	11.45	8.28
75	1978 / 99.00	C.F.E. - MEXICO 7.75 1/8/1983	95	9.75	8.16
60	1975 / 99.50	DUTCH STATE MINES 9.25 1/4/1982	99 5/8	9.44	9.28
40 / 30.0	1976 / 99.50	EERSTE NEDER CEMENT 8.50 15/4/1983	97 5/8	9.50 / 10.03	8.71
50	1975 / 99.75	EUROFIMA 8.50 1/5/1982	98	9.75	8.67
60	1976 / 99.75	EUROPEAN COAL & STEEL 8.00 15/2/1983	97 3/8	9.97	8.22
50 / 30.0	1972 / 100.00	EUROPEAN INVESTMENT BANK 6.00 15/9/1982	95 3/4	8.25 / 10.17	6.27
75	1978 / 99.50	EUROPEAN INVESTMENT BANK 7.25 1/10/1985	91 3/4	9.32	7.90
75	1976 / 99.75	EUROPEAN INVESTMENT BANK 8.00 15/4/1983	97 1/8	9.22	8.24
75	1977 / 100.00	EUROPEAN INVESTMENT BANK 8.00 15/2/1984	96	9.35	8.33
75	1976 / 99.00	EUROPEAN INVESTMENT BANK 8.25 1/1/1986	96 5/8	9.11	8.56
75	1975 / 100.00	EUROPEAN INVESTMENT BANK 9.00 1/3/1992	99 1/2	9.55	9.08
25 / 25.0	1979* / 99.50	FRIESCH-GRONINGSCHE HYPO 8.75 1/11/1996	94 3/8	9.93 / [illegible]	9.25
75	1980* / 99.50	HEINEKEN NV 10.00 15/7/1987	101 3/8	9.71	9.86
15 / 15.0	1979* / 100.00	LEASE PLAN NEDERLAND 9.00 1/10/1996	96 1/2	9.77 / 9.86	9.33
75	1977 / 99.50	MEXICO,UTD STATES OF 8.25 15/7/1982	97 5/8	9.63	8.45
60	1980* / 100.00	NATIONALE NEDERLANDEN 10.00 1/3/1987	102	9.55	9.80
25	1980* / 99.50	NEDERLANDSE CREDIETBANK 10.00 15/3/1985	101 1/2	9.55	9.85
75	1978 / 99.50	NEDER MIDDENSTANDSBANK 6.50 1/6/1983	94 1/2	8.76	6.88
75	1979 / 100.00	NEDER MIDDENSTANDSBANK 8.25 1/4/1984	97 7/8	8.93	8.43
50	1979 / 99.50	NEDERLANDSE GASUNIE P 9.75 1/7/1986	100 3/4	9.51	9.68
75	1978 / 100.00	NEW ZEALAND,GOVT OF 6.75 1/7/1984	92 5/8	9.06	7.29
75	1977 / 99.75	NEW ZEALAND,GOVT OF 8.00 1/3/1983	98 1/4	8.75	8.14
75	1975 / 100.00	NEW ZEALAND,GOVT OF 8.25 15/11/1981	98 1/2	9.47	8.35
75	1975 / 99.00	NEW ZEALAND,GOVT OF 9.00 1/3/1982	99 1/2	9.39	9.05
75	1976 / 99.25	NORGES KOMMUNALBANK 7.75 1/4/1981	98 1/2	10.05	7.87
100	1978 / 99.25	NORWAY,KINGDOM OF 6.50 1/4/1983	93 1/2	9.51	6.95
100	1977 / 99.50	NORWAY,KINGDOM OF 6.75 1/10/1982	94 1/4	9.80	7.16
100	1977 / 99.00	NORWAY,KINGDOM OF 7.75 1/4/1982	97 1/4	9.59	7.97
100	1975 / 99.25	NORWAY,KINGDOM OF 8.00 15/11/1980	99 5/8	9.11	8.03
100	1979 / 99.50	NORWAY,KINGDOM OF 8.25 15/3/1984	97	9.23	8.51
100	1979* / 99.50	NORWAY,KINGDOM OF 8.25 1/10/1984	97	9.13	8.51
75	1976 / 99.50	NORWAY,KINGDOM OF 8.50 15/7/1981	98 1/2	10.21	8.63
75	1975 / 99.50	OSLO,CITY OF 8.25 1/7/1982	97 1/8	9.95	8.49
75	1976 / 100.00	OSLO,CITY OF 8.25 1/1/1984	97	9.28	8.51
75	1978 / 99.50	OESTERREICHE KONTROLLBANK 6.50 15/5/1985	90	9.16	7.22
75	1977 / 99.50	OESTERREICHE KONTROLLBANK 7.25 1/8/1982	95 3/8	9.91	7.60

EUROGUILDERS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
75	1976 / 100.00	PHILIPS LAMPS 7.75 15/5/1981	99 1/4	8.79	7.81
75	1975 / 100.00	PHILIPS LAMPS 8.25 1/10/1981	99 3/8	8.79	8.30
75	1979* / 100.00	PHILIPS LAMPS P 8.25 15/10/1984	97 5/8	9.01	8.47
60	1977 / 99.75	PIERSON HELDRING PIERSON 7.25 1/6/1982	96 7/8	9.15	7.48
40	1976 / 99.25	PIERSON HELDRING PIERSON 10.00 1/10/1981	100	9.94	10.00
25	1979* / 99.50	RABOBANK 9.00 15/11/1984	100	8.98	9.00
60	1975 / 99.25	RANK XEROX HOLDINGS 9.25 15/3/1981	99 5/8	9.73	9.28
75	1976 / 100.00	S.N.C.F. 7.75 15/6/1981	98 1/2	9.57	7.87
60	1975 / 100.00	S.N.C.F. 9.00 15/4/1981	99 1/8	10.21	9.08
50	1977 / 100.00	SCHEEPVAART UNIE 8.25 1/4/1982	97 7/8	9.63	8.43
60	1975 / 100.00	SCHEEPVAART UNIE 8.75 1/6/1981	98 3/4	9.02	8.87
30	1976 / 99.75	SWEDISH EXPORT CREDIT 8.25 1/4/1983	96 5/8	9.71	8.56
50	1975 / 100.00	SWEDISH INVESTMENT BANK 9.25 1/4/1982	99	9.86	9.34
60	1975 / 99.50	THYSSEN INVESTMENT 8.50 15/5/1982	97 5/8	9.97	8.71
50	1980* / 99.75	F VAN LANSCHOT 10.50 1/6/1985	102	9.94	10.29
60	1980* / 100.00	WESTLAND-UTRECHT HYPO 10.25 1/8/1987	100 5/8	10.12	10.19
100	1976 / 100.00	WORLD BANK 8.00 1/2/1983	97 3/4	9.00	8.18

EURO COMPOSITE UNITS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
60	1974 / 100.00	EUROPEAN INVESTMENT BANK 8.00 18/1/1989	121 1/2	4.84	6.56
30	1973 / 99.50	EUROPEAN INVESTMENT BANK 8.375 27/9/1988	122 7/8	4.93	6.82
20	1973 / 98.00	MET ESTATES & PROP 8.75 15/11/1988	89 1/4	10.76	9.80

EURO CURRENCY UNITS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
30 / 13.8	1972 / 99.50	BRAZIL,REPUBLIC OF 8.00 1/3/1986	98 5/8	8.43 / 8.69	8.11
60 / 32.5	1971 / 99.50	ENEL 7.25 1/5/1986	96 7/8	7.94 / 8.40	7.48
10 / 6.5	1971 / 99.50	INTERFRIGO 7.50 12/3/1986	97 7/8	7.97 / 8.25	7.66
30	1975 / 98.50	ISCOR 9.25 1/12/1980	99 3/4	9.74	9.27
25 / 16.0	1971 / 100.00	SOUTH AFRICA,REPUBLIC OF 8.00 1/4/1986	96 7/8	8.70 / 9.09	8.26

EURO UNITS OF ACCOUNT

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
12 / 9.0	1975 / 100.00	A.P.E.L. 9.50 21/2/1985	99 7/8	9.51 / 10.15	9.65
16 / 16.0	1978 / 99.25	AUTOROUTES COTE BASQUE 7.00 10/7/1993	81 1/8	9.79 / 10.45	8.75
20 / 23.4	1973 / 98.50	BASS CHARRINGTON 7.00 1/3/1991	81	10.19 / 11.01	8.77
15 / 11.0	1976 / 98.00	BRISA-AUTO-ESTRADAS 8.25 6/2/1989	94 3/8	9.99 / 10.61	9.41
17 / 14.6	1974 / 99.50	COFIROUTE 9.00 12/3/1989	98 1/8	9.56 / 9.75	9.31
30	1978 / 100.25	COPENHAGEN,CITY OF 7.00 1/5/1993	80 1/8	9.98	8.86
25	1979 / 99.75	COPENHAGEN,CITY OF 8.25 15/5/1992	88 3/4	10.21	9.43
20	1976 / 99.00	COPENHAGEN,CITY OF 8.75 15/6/1986	95 7/8	10.02	9.26
25	1975 / 99.50	COPENHAGEN,CITY OF 9.25 25/9/1985	99 1/4	9.79	9.46
15 / 5.8	1969 / 98.50	COPENHAGEN COUNTY AUTH 7.00 3/5/1984	143 1/4	9.56 / 10.87	7.60
12 / 6.6	1971 / 100.00	COPENHAGEN COUNTY AUTH 8.00 10/2/1986	145	9.40 / 10.46	8.58
20	1979* / 100.00	COPENHAGEN COUNTY AUTH 8.75 10/9/1991	93 5/8	9.92	9.48
20	1975 / 99.50	COPENHAGEN COUNTY AUTH 9.25 23/10/1985	98 7/8	9.85	9.49
20	1975 / 99.50	COPENHAGEN TELEPHONE 9.50 28/5/1985	100	9.37	9.64
25	1976 / 100.00	ESSO-[illegible] 9.25 18/2/1984	96 5/8	10.39	9.52
20 / 8.0	1971 / 99.75	ESCOM 8.25 1/6/1986	145	9.20 / 10.71	8.94
20 / 4.3	1966 / 99.36	EUROPEAN COAL & STEEL 5.75 1/7/1986	141 3/4	[illegible] / 9.58	6.31
10	1976 / 99.00	FUNEN TELEPHONE CO 9.00 15/9/1984	98 3/8	9.92	9.25
15 / 9.5	1975 / 99.75	G.I.E. 9.75 10/4/1983	98 7/8	11.41 / 11.59	[illegible]
11 / 11.0	1979* / 100.00	GOTHENBURG,CITY OF 9.125 15/11/1989	96 5/8	9.92 / [illegible]	9.12
10 / 3.5	1964 / 96.00	GREATER COPENHAGEN 5.625 15/4/1984	141 3/4	[illegible]	6.27
16	1975 / 100.00	HELSINKI,CITY OF 10.00 31/1/1983	99 7/8	10.63	10.16
12 / 10.2	1973 / 100.00	ICELAND,REPUBLIC OF 8.50 [illegible]/1988	94 5/8	9.71 / [illegible]	9.12
15 / 13.4	1976 / 100.00	ICELAND,REPUBLIC OF 9.25 [illegible]/2/1983	93 7/8	11.28 / [illegible]	9.49
12	1976 / 100.00	ICELAND,REPUBLIC OF 9.25 16/7/1986	99 3/4	9.83	9.41
12	1974 / 99.50	ICELAND,REPUBLIC OF L 11.00 [illegible]/12/1984	101	10.34	12.04
25	1977 / 100.25	IMATRAN VOIMA 8.50 20/6/1987	96 1/8	9.57	9.97

EURO UNITS OF ACCOUNT (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
20	1975 / 99.75	IMATRAN VOIMA 9.75 15/3/1985	100 3/8	10.02	9.85
15 / 15.0	1976 / 100.00	INDUSTRIAL BANK-FINLAND [illegible] 5/4/1993	79 3/8	10.11 / 11.59	8.95
15 / 13.5	1975 / 99.00	IND MTGE BANK OF FINLAND [illegible]	99 7/8	10.05 / 10.31	9.65
[illegible] / 14.6	1975 / 99.50	IRELAND,REPUBLIC OF [illegible] 1992	100 3/8	9.86 / 9.97	9.35
20 / 14.0	1974 / 99.50	IRELAND,REPUBLIC OF 9.75 12/6/1984	100 1/8	10.14 / 10.23	9.88
15 / 14.5	1978 / 99.50	KOMMUNLANEINSTITUTET 7.50 12/10/1993	82 5/8	10.10 / 11.17	9.22
12 / 10.4	1978 / 100.00	KOMMUNLANEINSTITUTET 7.75 25/1/1993	87 3/4	9.64 / 10.72	8.96
15 / 8.3	1969 / 97.00	MANITOBA,PROVINCE OF L 7.00 17/6/1989	143 3/4	8.21 / 8.89	7.57
30 / 28.7	1975 / 100.00	MANITOBA,PROVINCE OF 9.25 8/12/1985	100 3/8	9.43 / 9.50	9.39
25 / 25.0	1979* / 100.00	MORTGAGE BANK OF DENMARK 9.00 22/11/1991	94 1/8	10.08 / 10.30	9.70
12 / 3.0	1963 / 99.00	NORGES KOMMUNALBANK 5.50 15/1/1983	140	10.25 / 13.24	6.11
15 / 8.5	1971 / 98.75	NORGES KOMMUNALBANK 7.75 15/3/1986	146 1/2	9.40 / 10.48	8.34
12 / 9.4	1974 / 98.50	OSLO,CITY OF 8.875 1/4/1992	94 7/8	9.82 / 10.23	9.49
15 / 7.5	1974 / 100.00	OSLO,CITY OF 10.00 5/12/1981	100 3/8	10.79 / 11.39	10.11
25 / 22.0	1975 / 99.50	OSLO,CITY OF 9.25 15/10/1985	99 3/8	9.75 / 10.09	9.44
20 / 20.0	1978 / 99.50	PANAMA,REPUBLIC OF 8.25 2/10/1993	82 5/8	10.97 / 11.42	10.13
25 / 17.1	1974 / 98.00	PECHINEY UGINE KUHLMANN 8.75 [illegible]/2/1989	95 1/8	9.84 / 10.22	9.33
40 / 40.0	1979* / 100.00	QUEBEC,PROVINCE OF 9.25 17/12/1994	96 1/4	9.92 / 10.05	9.75
22 / 22.0	1978 / 99.50	S.D.R. - FRANCE 7.00 5/7/1993	81 3/8	9.76 / 10.68	8.73
24 / 24.0	1979 / 99.50	SEP FRANCE 8.50 27/6/1994	91 3/8	9.84 / 10.19	9.44
22 / 22.0	1975 / 100.00	S.D.R. - FRANCE 9.25 15/12/1985	99 1/8	9.79 / 10.04	9.47
25 / 19.0	1975 / 99.50	S.D.R. - FRANCE 9.50 5/5/1987	100 1/8	9.76 / 9.88	9.63
40 / 40.0	1979 / 99.50	S.P.T.E. 8.25 10/4/1989	88 1/8	10.62 / 11.11	9.50
5 / 4.6	1969 / 98.00	SCOTLAND HYDRO/ELECTRIC 6.75 10/12/1984	146	9.95 / 10.76	8.58
20 / 9.3	1970 / 98.00	SOUTH AFRICA,REPUBLIC OF 6.75 30/12/1982	145 1/2	11.91 / 13.73	9.35
30	1975 / 99.00	STATSFORETAG 9.25 29/12/1985	100 5/8	9.42	9.33
30	1980* / 99.00	UNION BANK OF NORWAY 9.50 5/3/1990	98 3/8	9.89	9.80
12 / 4.0	1969 / 98.00	[illegible] 7.00 11/6/1984	142 1/4	9.73 / 11.22	7.65

FRENCH FRANCS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
100 / 71.0	1975 / 99.25	AEROSPATIALE P 13.00 6/5/1985	90 1/2	12.75 / 14.31	11.05
120	1979* / 99.50	AIR FRANCE 11.00 15/9/1984	96 7/8	11.98	11.35
103 / 76.0	1972 / 98.50	B.A.T. INT FIN 7.50 15/11/1987	75 1/8	12.86 / 14.40	9.98
100 / 72.0	1972 / 105.00	BASF TRANSATLANTICA 7.50 1/5/1987	76 1/2	12.90 / 14.49	9.80
50 / 36.0	1972 / 100.00	BASS CHARRINGTON 7.50 1/8/1987	71 7/8	14.07 / 16.00	10.43
150 / 82.0	1972 / 100.00	BRITISH LEYLAND MOTOR 7.50 30/9/1987	68	15.10 / 19.37	11.03
150	1975 / 100.75	CHARB-50 30/E FRANCE 10.00 5/12/1980	99 1/4	11.85	10.08
80	1975 / 100.00	CHARB-50 5/E FRANCE 10.25 15/4/1982	96 3/8	12.66	10.64
100 / 86.0	1972 / 98.00	CHARTER CONSOLIDATED O/S 7.50 1/10/1987	70 1/4	14.41 / 13.99	10.68
100 / 75.0	1972 / 100.00	CIMENTS LAFARGE 7.50 1/7/1987	75 1/4	13.16 / 15.04	9.97
125	1975 / 100.00	CREDIT FONCIER DE FRANCE 10.25 27/5/1982	96 1/4	12.62	10.65
80	1975 / 100.00	CREUSOT-LOIRE 10.25 17/10/1980	99 1/8	14.16	10.34
150 / 76.0	1972 / 99.50	DENMARK,KINGDOM OF 7.50 1/9/1987	77 3/4	12.39 / 14.34	9.65
130 / 32.5	1973 / 100.00	DENMARK,KINGDOM OF 7.75 15/4/1988	74 1/2	13.20 / 14.53	10.40
400	1980* / 100.00	ELECTRICITE DE FRANCE 14.25 15/4/1985	106 1/4	12.37	13.42
150 / 150.0	1978 / 99.50	ELF AQUITAINE 9.75 14/12/1988	85 1/2	12.63 / 12.91	11.40
100 / 91.0	1973 / 98.50	ESSO-[illegible] 8.00 16/7/1988	77 7/8	12.55 / 14.13	10.27
150	1979 / 100.00	EURATOM 9.75 31/3/1987	85 3/4	13.00	11.37
120	1980* / 100.00	EUROFIMA 13.50 22/5/1987	101 3/4	13.07	13.27
150 / 105.0	1972 / 99.00	EUROPEAN COAL & STEEL 7.25 1/4/1987	76 5/8	12.62 / 16.14	9.46
150 / 142.5	1973 / 98.50	EUROPEAN COAL & STEEL 7.50 1/7/1991	70	12.73 / 13.69	10.71
[illegible] / 135.0	1975 / 100.50	EUROPEAN COAL & STEEL 10.00 15/6/1982	96 3/4	12.00 / 12.06	10.34
150	1980* / 99.00	EUROPEAN COAL & STEEL 14.25 3/4/1985	107 3/8	12.32	13.27
175 / 146.8	1972 / 99.75	EUROPEAN INVESTMENT BANK 7.25 1/8/1987	73 7/8	12.64 / 15.64	9.56
200 / 177.0	1973 / 99.25	EUROPEAN INVESTMENT BANK 7.25 15/5/1988	78	12.96 / 14.15	9.93
150 / 85.0	1971 / 100.00	EUROPEAN INVESTMENT BANK 7.75 10/12/1981	96 3/8	10.68 / 12.46	8.06

FRENCH FRANCS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
200	1978 / 99.50	EUROPEAN INVESTMENT BANK 9.75 1/10/1988	85 1/4	12.74	11.44
80	1979* / 100.00	FINLAND,REPUBLIC OF 11.00 15/10/1984	95 7/8	12.28	11.47
70 / 70.0	1979* / 99.75	FINLAND,REPUBLIC OF 11.50 15/10/1989	93 7/8	12.64 / 12.78	12.25
150	1979* / 99.50	GAZ DE FRANCE 11.00 30/10/1984	96	12.23	11.46
120	1979* / 99.50	IBM FRANCE 11.875 28/12/1984	98 1/4	12.36	12.09
60 / 39.5	1971 / 99.50	L'AIR LIQUIDE 8.25 15/10/1981	96 1/2	11.45 / 13.85	8.55
150	1980* / 100.00	MEXICO,UNITED STATES OF 14.00 1/6/1985	100 1/2	13.81	13.93
75 / 52.5	1972 / 98.25	MONTREAL CATHOLIC SCHOOL 7.50 1/3/1987	78 3/4	12.38 / 13.34	9.52
130	1975 / 100.00	NATIONALE DES AUTOROUTES 9.75 1/7/1987	93 1/8	11.54	10.47
125 / 100.0	1972 / 100.50	NATIONALE DES TELECOM 7.50 1/3/1986	88 5/8	11.53 / 14.17	8.46
75 / 55.0	1972 / 98.00	NEW ZEALAND,GOVT OF 7.25 1/6/1987	75 7/8	12.73 / 14.75	9.56
200	1979 / 100.00	NORWAY,KINGDOM OF 9.25 20/2/1984	90	12.88	10.28
100 / 75.0	1972 / 99.75	NOVA SCOTIA,PROVINCE OF 7.50 15/7/1987	76 3/8	12.76 / 14.50	9.82
100 / 80.0	1972 / 99.50	OSLO,CITY OF 7.25 1/3/1987	75 3/8	13.02 / 14.92	9.62
150	1975 / 100.00	PARIBAS 10.25 15/7/1982	96	12.67	10.68
175 / 175.0	1979 / 101.50	P.S.A. PEUGEOT-CITROEN 9.75 1/2/1987	84 1/4	13.30 / 14.25	11.57
50	1975 / 100.00	PHILIPS LAMPS P 10.25 1/9/1980	99 3/8	14.40	10.29
100 / 76.0	1972 / 100.00	PONT-A-MOUSSON 7.50 1/8/1987	76	12.91 / 16.37	9.87
125 / 98.0	1972 / 100.00	QUEBEC,PROVINCE OF 7.50 15/6/1987	76	12.97 / 15.88	9.87
80 / 57.6	1972 / 99.00	READY MIXED CONCRETE 7.75 25/10/1987	72 3/8	13.98 / 16.83	10.67
200 / 162.0	1972 / 99.50	RENAULT 7.25 15/3/1987	76	12.82 / 14.64	9.54
100	1979 / 100.00	RENAULT 9.75 6/7/1985	87 3/4	13.38	11.11
100 / 75.0	1972 / 100.50	RHONE-POULENC 7.50 15/4/1987	75 5/8	13.17 / 15.16	9.92
230	1979 / 100.00	SAINT-GOBAIN-PONT-MOUSSON 9.75 15/5/1986	86 3/4	13.23	11.24
100	1975 / 99.50	SAINT GOBAIN 10.00 10/11/1980	99 1/8	12.86	10.09
125	1979 / 100.50	SOLVAY ET CIE 9.75 18/4/1987	85	13.28	11.47
550	1980* / 100.00	S.N.C.F. 13.125 19/6/1985	102 7/8	12.37	12.88
100 / 82.0	1973 / 99.50	STAR EUROPEAN FIN 8.00 15/6/1988	69 1/2	14.80 / 17.81	11.51
400	1980* / 100.00	SWEDEN,KINGDOM OF 12.875 1/8/1985	99 1/2	13.02	12.94
100	1975 / 100.00	PECHINEY UGINE KUHLMANN 10.00 5/1/1982	95 5/8	13.46	10.46
150	1979 / 99.75	TOTAL OIL MARINE 9.375 15/3/1987	83 1/2	13.26	11.23
100	1978 / 100.00	UNILEVER NSF INVEST 10.00 17/11/1985	88 3/8	13.15	11.32
125 / 125.0	1976 / 100.00	PEUGEOT 10.00 10/2/1985	95 5/8	13.05 / 14.58	10.46
150 / 120.0	1972 / 99.75	WORLD BANK 7.25 15/6/1987	76 1/4	12.61 / 15.25	9.51

HONGKONG DOLLARS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
300	1977 / 100.00	HONGKONG LAND INT. 7.25 1/6/1985	79	13.41	9.18
200	1977 / 100.00	JARDINE MATHESON BERMUDA 7.25 15/6/1985	78	13.72	9.29
150	1977 / 100.00	MANITOBA,PROVINCE OF 6.875 15/6/1982	92	11.88	7.47

JAPANESE YEN

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
15	1978 / 100.00	ASIAN DEVELOPMENT BANK 5.75 1/9/1988	86	8.57	6.65
10	1979 / 99.50	EUROFIMA 6.50 15/4/1986	90 1/8	8.76	7.21
10	1977 / 100.00	EUROPEAN INVESTMENT BANK 7.25 1/5/1984	97 1/4	8.11	7.46
15	1979* / 99.25	EUROPEAN INVESTMENT BANK 7.75 1/9/1989	96 1/2	8.51	8.03
15	1980* / 100.00	FINLAND,REPUBLIC OF 8.375 1/6/1987	97	8.97	8.63
15	1980* / 100.00	SWEDEN,KINGDOM OF 8.50 1/8/1990	98 3/4	8.68	8.61
20	1977 / 100.00	WORLD BANK 6.25 15/5/1984	92 1/4	8.60	6.78

KUWAITI DINARS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
2 / 2.0	1977 / 100.00	AFRICAN DEVELOPMENT BANK 8.75 15/3/1987	96 3/4	9.41 / 9.48	9.04
3	1977 / 100.00	AFRICAN DEVELOPMENT BANK 8.50 15/5/1987	96 7/8	9.13	8.77
4 / 4.0	1979* / 99.75	ASEA 8.00 1/10/1989	93 5/8	9.04 / 9.32	8.54
6	1975 / 99.50	AUTOPISTAS L 11.00 15/4/1985	104 5/8	9.70	10.51
5	1977 / 100.00	AUTOPISTA VASCO-ARAGA L 8.75 15/11/1987	97 5/8	9.20	8.96
10	1978 / 100.00	BANCO NAC CRED RURAL L 8.25 15/6/1990	95 1/8	9.01	8.67
7	1978 / 100.00	BANCO NACIONAL DE OBRA L 8.25 15/4/1990	95 3/8	8.97	8.65
6	1976 / 99.75	BANCO NACIONAL DE OBRAS 8.50 15/4/1986	99 3/8	8.63	8.55

KUWAITI DINARS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
5	1976 / 99.75	BANK HANDLOWY W WARS 8.75 15/2/1986	99 5/8	8.82	8.78
4	1977 / 99.00	BANK HANDLOWY W WARS 9.00 1/4/1987	98 7/8	9.22	9.10
5 / 2.5	1976 / 99.75	BEOGRADSKA BANKA 9.00 15/8/1981	99 3/8	9.64 / [illegible]	9.06
7 / 7.0	1978 / 99.50	BQUE DEVT ECON TUNISIE 8.00 15/12/1985	93 3/8	9.61 / 9.79	8.57
7 / 5.3	1976 / 100.00	BQUE DEVT ECON TUNISIE D 8.50 15/7/1981	98 7/8	9.77	8.60
8	1978 / 100.00	BQUE NAT D'ALGERIE L 8.25 15/6/1990	93 7/8	9.21	8.79
10 / 6.0	1975 / 100.00	BQUE NAT D'ALGERIE 6.50 1/7/1981	98 7/8	8.94 / 9.15	8.60
10 / 10.0	1979 / 100.00	B.N.P. 7.75 15/6/1989	93 5/8	8.81 / 9.16	8.28
10	1978 / 100.00	NAT ALGERIE NAVIGATION 8.50 15/11/1990	94 1/8	9.40	9.03
7 / 7.0	1976 / 100.00	NAT ALGERIE NAVIGATION 8.75 15/5/1986	99 3/8	8.88 / 8.98	8.81
10 / 10.0	1979* / 100.00	C.C.C.E. 8.00 15/9/1994	93 7/8	8.77 / 8.87	8.52
20	1979 / 99.50	CESP-COMP ENER S PAULO L 8.125 15/3/1991	92 7/8	9.19	8.75
6	1979* / 99.50	CREDIT LYONNAIS 8.00 15/10/1987	96 5/8	8.64	8.28
10 / 10.0	1978 / 99.38	CREDIT IMMOBILIER 8.375 1/8/1988	94	9.28 / 9.63	8.91
2	1976 / 99.50	CREDIT IMMOBILIER D 8.50 1/7/1986	99 1/8	8.69	8.58
6 / 6.0	1979 / 99.75	CREDIT IMMOBILIER 8.75 15/8/1989	95 5/8	9.49 / 9.71	9.15
7	1978 / 99.75	DEVT BANK PHILIPPINES L 8.50 2/10/1990	93 7/8	9.46	9.09
10	1978 / 100.25	ELETROBRAS - BRAZIL L 8.25 15/10/1990	94	9.17	8.78
7	1978 / 100.00	FINNISH EXPORT CREDIT 7.25 15/5/1983	94 1/8	9.73	7.70
5 / 5.0	1979 / 99.50	FINNISH MUNICIPALITIES 7.50 1/4/1989	91 5/8	8.92 / 9.49	8.19
4 / 4.0	1975 / 99.50	ICELAND,REPUBLIC OF P 8.75 1/12/1982	98 5/8	9.39 / 9.79	8.87
7	1979 / 99.75	INDONESIA,REPUBLIC OF L 8.75 15/7/1991	93 5/8	9.72	9.35
6 / 6.0	1978 / 100.50	INDUSTRIAL BANK-FINLAND 7.50 15/1/1989	91 1/8	9.03 / 9.46	8.23
8	1976 / 100.00	INDUSTRIAL BANK-KUWAIT 6.75 25/3/1981 S	98	10.22	7.01
10	1978 / 100.00	INDUSTRIAL BANK-KUWAIT 7.50 9/3/1983 S	95 1/8	9.89	8.04
12 / 12.0	1978 / 100.00	INDUSTRIAL BANK-KUWAIT 7.50 15/6/1988	92 1/4	8.90 / 9.20	8.13
5 / 5.0	1977 / 99.75	JUGOBANKA 8.75 1/12/1983	97 5/8	9.58 / 10.02	8.96
12	1979 / 99.75	KOREA DEVT BANK L 7.875 15/3/1989	93 1/2	8.88	8.42
5 / 1.3	1976 / 99.75	LJUBLJANSKA BANKA 9.00 15/3/1981	99 7/8	9.06	9.01
10 / 10.0	1979 / 99.50	MITSUBISHI HEAVY IND 7.50 1/8/1984	94 5/8	9.17 / 10.07	7.93
6 / 6.0	1976 / 100.00	NACIONAL FINANCIERA P 8.75 1/10/1983	93 3/8	9.35 / 9.59	8.89
12 / 12.0	1979 / 99.50	NORGES KOMMUNALBANK 7.50 15/5/1989	92 1/8	8.82 / 9.22	8.14
7	1979 / 99.25	OCCIDENTAL INT FIN L 8.25 15/5/1991	92 3/8	9.40	8.93
10 / 9.6	1978 / 100.00	OSLO,CITY OF 7.625 15/12/1990	92 1/2	8.74 / 9.15	8.24
6	1978 / 99.50	PANAMA,REPUBLIC OF L 8.50 1/12/1990	94 1/8	9.40	9.03
4	1976 / 99.75	PANAMA,REPUBLIC OF P 9.00 15/1/1987	98 7/8	9.22	9.10
5	1978 / 99.75	PANAMA,REPUBLIC OF L 9.00 15/1/1988	98 5/8	9.24	9.13
7	1977 / 100.00	PETROLEOS MEXICANOS L 8.50 15/12/1987	98 5/8	8.74	8.62
7 / 5.0	1975 / 100.00	PETROLEOS MEXICANOS 8.75 1/7/1985	99	9.00 / 9.14	8.84
5	1977 / 99.50	PHILIPPINES,REPUBLIC OF 9.00 15/4/1983	98 3/8	9.56	9.13
5 / 3.0	1976 / 100.00	PRIVREDNA BANKA P 9.25 1/11/1982	99 1/8	9.66 / 9.85	9.33
10 / 10.0	1976 / 100.00	[illegible]-MOROCCO 8.75 1/12/1986	99 1/8	8.92 / 9.02	8.83
7 / 7.0	1978 / 100.00	[illegible]-MOROCCO L 8.50 1/3/1988	97 3/8	8.98 / 9.16	8.73
12	1978 / 100.00	SONATRACH L 8.50 1/4/1990	94 5/8	9.36	8.98
7 / 7.0	1979* / 99.50	TVO POWER 7.875 15/9/1989	93 7/8	8.88 / 9.11	8.39
6	1975 / 100.00	TVO POWER 8.75 1/9/1980	99 3/4	11.46	8.77

KRONER (NORWAY)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
80	1979* / 100.00	NORDIC INVESTMENT BANK 10.00 15/1/1985	99 1/2	10.11	10.05
20	1980* / 100.00	NORDIC INVESTMENT BANK P 10.00 15/2/1985	99 3/4	10.06	10.03
100 / 100.0	1980* / 100.00	NORWEGIAN MORTGAGE ASSOC 10.50 15/4/1988	98 5/8	10.75 / 10.85	10.65
100 / 100.0	1980* / 100.00	OSLO,CITY OF 10.25 15/2/1990	99 1/4	10.36 / 10.46	10.33

LUXEMBOURG FRANCS

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
500 / 500.0	1979* / 100.00	AKZO 9.25 25/10/1987	95 1/2	10.14 / 10.29	9.69
800 / 800.0	1972 / 100.00	ARBED FINANCE 6.50 16/6/1987	84 3/8	9.71 / 11.61	7.70
600	1973 / 98.00	ARBED FINANCE 6.75 15/9/1980	99 1/2	10.76	6.78

LUXEMBOURG FRANCS (CONTINUED)

Issued / Est. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Price	Yield to maturity / yld. to avge. life	Current yield
	1975 / 99.50	ARBED FINANCE D 8.25 20/10/1983	95 1/2	9.85	8.64
750 / 670.0	1976 / 100.00	ARBED FINANCE D 8.75 10/7/1984	95 3/4	10.10 / 10.20	9.14
400 / 280.0	1972 / 100.00	ASIAN DEVELOPMENT BANK 6.75 25/4/1987	81 1/4	10.80 / 13.43	8.31
500 / 350.0	1973 / 99.25	BERGEN,CITY OF 7.50 10/4/1991	78 1/2	11.00 / 12.41	9.55
500 / 350.0	1972 / 100.00	BURMAH OIL 7.00 30/6/1987	78 1/4	11.77 / 14.69	8.95
500	1978 / 100.00	COPENHAGEN TELEPHONE D 8.00 24/3/1988	88	10.33	9.09
500	1979 / 100.00	COPENHAGEN TELEPHONE 8.25 28/2/1989	89 3/4	10.07	9.19
500 / 400.0	1972 / 99.75	COUNCIL OF EUROPE 7.00 15/9/1987	84 1/2	10.15 / 12.59	8.28
300 / 200.0	1974 / 99.75	COUNCIL OF EUROPE 10.00 20/12/1981	99 1/8	10.61 / 11.08	10.09
800 / 640.0	1972 / 100.00	DENMARK,KINGDOM OF 6.75 14/8/1987	79 3/8	11.13 / 14.67	8.50
500	1979 / 100.00	EURATOM 8.00 22/3/1987	90	10.12	8.89
500	1979* / 100.00	EURATOM 9.75 8/1/1988	98 3/4	9.97	9.87
400 / 320.0	1973 / 99.00	EUROFIMA 6.75 30/5/1988	83 7/8	9.79 / 11.72	8.05
500 / 500.0	1978 / 100.00	EUROFIMA D 7.50 26/5/1988	87 1/4	9.81 / 10.53	8.60
500 / 500.0	1979 / 99.75	EUROFIMA 8.50 28/7/1989	92 1/4	9.84 / 9.90	9.21
500 / 300.0	1975 / 100.00	EUROFIMA D 8.75 26/1/1983	99 3/8	9.99 / 10.16	9.81
400 / 320.0	1972 / 99.00	EUROPEAN COAL & STEEL 6.75 15/12/1987	87 5/8	9.11 / 10.82	7.70
800 / 500.0	1973 / 99.00	EUROPEAN COAL & STEEL 7.00 15/3/1985	86 1/8	10.96 / 13.59	8.13
800 / 640.0	1973 / 98.25	EUROPEAN COAL & STEEL 7.00 1/7/1988	78 5/8	11.21 / 13.79	8.90
500 / 470.0	1973 / 98.50	EUROPEAN COAL & STEEL 7.25 20/12/1988	88 5/8	9.24 / 9.90	8.18
300 / 171.0	1971 / 100.00	EUROPEAN COAL & STEEL 7.75 18/8/1983	91	11.40 / 14.80	8.52
250	1978 / 100.00	EUROPEAN COAL & STEEL 7.75 27/7/1988	91	9.40	8.52
600 / 600.0	1978 / 99.25	EUROPEAN COAL & STEEL 7.75 20/10/1988	90 3/4	9.40 / 9.79	8.54
500 / 500.0	1977 / 100.00	EUROPEAN COAL & STEEL D 8.50 25/5/1987	93 5/8	9.81 / 10.03	9.08
500	1979* / 99.75	EUROPEAN COAL & STEEL 8.75 28/9/1987	94 7/8	9.77	9.22
500 / 420.0	1975 / 99.25	EUROPEAN COAL & STEEL D 9.00 12/3/1985	99 1/8	9.22 / 9.35	9.08
500	1976 / 100.00	EUROPEAN COAL & STEEL D 9.50 5/11/1984	99	9.77	9.60
300 / 150.0	1974 / 99.50	EUROPEAN COAL & STEEL 10.00 30/10/1981	99 1/4	10.61 / 11.18	10.08
500 / 500.0	1980* / 99.00	EUROPEAN COAL & STEEL 10.00 20/3/1990	97 1/2	10.40 / 10.46	10.26
400 / 320.0	1972 / 99.00	EUROPEAN INVESTMENT BANK 6.75 15/12/1987	86 1/2	9.35 / 11.23	7.80
400 / 280.0	1971 / 98.00	EUROPEAN INVESTMENT BANK 7.00 15/10/1986	92 1/2	8.60 / 9.62	7.57
800 / 640.0	1973 / 98.50	EUROPEAN INVESTMENT BANK 7.00 1/2/1988	80	11.04 / 13.82	8.75
800 / 680.0	1973 / 98.25	EUROPEAN INVESTMENT BANK 7.00 1/6/1988	80	10.92 / 13.12	8.75
500 / 450.0	1973 / 99.50	EUROPEAN INVESTMENT BANK 7.00 1/8/1988	88 1/8	9.16 / 10.81	7.94
500	1978 / 99.00	EUROPEAN INVESTMENT BK D 7.75 15/3/1988	91 1/8	9.42	8.50
500	1977 / 99.00	EUROPEAN INVESTMENT BK D 8.00 10/8/1987	93	9.40	8.60
600	1979 / 100.25	EUROPEAN INVESTMENT BANK 8.00 1/2/1991	91 1/8	9.35	8.78
500 / 482.0	1975 / 100.00	EUROPEAN INVESTMENT BK D 8.75 23/5/1985	98	9.27 / 9.29	8.93
600	1980* / 100.00	EUROPEAN INVESTMENT BANK 9.75 25/1/1988	98 7/8	9.95	9.86
400 / 265.0	1974 / 100.00	EUROPEAN INVESTMENT BANK 10.00 15/11/1981	99 3/8	10.45 / 10.89	10.06
800 / 640.0	1972 / 99.25	GRAND METROPOLITAN HOTEL 6.75 1/9/1987	76	11.95 / 16.08	8.88
600 / 480.0	1972 / 98.50	INDUST FUND OF FINLAND 7.00 15/10/1987	77 5/8	11.76 / 15.36	9.02
400	1976 / 100.00	INTERMOSELLE FINANCE 8.50 10/3/1983	97	9.82	8.76
400 / 400.0	1975 / 100.00	INTERMOSELLE FINANCE 9.00 15/4/1985	96 7/8	9.84 / 10.34	9.29
800 / 640.0	1972 / 99.00	INT STANDARD ELECTRIC 6.50 1/9/1987	77 7/8	11.18 / 14.02	8.35
400 / 350.0	1977 / 100.00	LUXAIR FIN D 8.50 15/4/1987	94 3/8	9.66 / 10.38	9.01
400 / 360.0	1973 / 99.00	MORTGAGE BANK OF DENMARK 7.50 6/11/1988	88 1/2	9.37 / 10.67	8.38
500 / 500.0	1978 / 99.50	NORGES KOMMUNALBANK 8.00 6/12/1986	92 3/8	9.64 / 10.21	8.66
800 / 625.0	1972 / 99.25	OSLO,CITY OF 6.75 29/9/1987	78	11.40 / 13.05	8.65
500 / 470.0	1979 / 99.50	OSLO,CITY OF 8.00 10/4/1989	90 1/2	9.65 / 10.32	8.84
500 / 410.0	1977 / 99.25	OSLO,CITY OF P 8.50 4/3/1987	94 5/8	9.62 / 10.17	8.98
500	1979 / 100.00	PHILIPS INTL FIN 8.00 8/5/1989	89 1/8	9.90	8.98
500	1975 / 100.00	PHILIPS INT FIN D 8.75 15/5/1985	95 3/4	10.03	9.15
800 / 650.0	1972 / 99.00	REED INTERNATIONAL 6.75 10/9/1987	78 3/4	12.27 / 16.61	8.88
500 / 580.0	1976 / 100.00	RENAULT ACCEPTANCE 7.75 15/7/1986	86	10.42 / 11.09	9.44

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31st JULY 1980

WestLB Euro-Deutschmarkbond Quotations and Yields

Advertisement

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
8% ADELA 76/83	83.00	9.84	16.28	2.67	1. 4.83
7¾% ADELA 77/82 PP	79.00	9.19	22.05	1.87	16. 6.82
7% ADELA 77/82 PP	77.00	9.09	22.51	2.00	1. 8.82
6% AEG 66/81	99.10	6.05	7.79	0.50	1. 2.72—81D
7¾% African Dev. Bank 79/86	94.00	8.24	9.11	5.83	1. 6.86
8% African Dev. Bank 79/87	95.50	8.38	8.85	7.25	1.11.87
6½% Airport Paris 69/84 PP (G)	97.00	6.70	8.12	2.03	1. 3.75—84D
9% AKZO 75/82 PP	100.50	8.96	8.58	1.50	1. 2.82
7¾% AKZO 76/83 PP	97.75	7.93	8.66	2.83	1. 6.83
6% AKZO 78/84 PP	91.50	6.56	8.79	3.67	1. 4.84
6½% AKZO 79/86 PP	92.50	7.03	8.21	5.58	1. 3.86
9% AKZO 80/90	103.50	8.70	8.35	7.69	15. 5 86—90S
8¼% Alusuisse Int'l. 75/83	101.25	8.15	7.55	1.99	1. 8.81—83D
5½% American Expr. Int'l. 79/87	90.65	6.07	7.36	6.46	16. 1.87
6¾% AMEX Int'l. 77/84 PP	95.00	7.11	8.37	3.67	1. 4.84
10% A.P.E.L. 74/81 (G)	100.75	9.93	8.89	0.82	1.12.77—81D
7¾% ARBED Finance 76/83 PP	96.00	8.07	9.21	3.25	1.11.83
6¾% ARBED Finance 77/87	93.00	7.26	8.12	6.83	1. 6.83—87S
7½% ARBED Finance 79/86 PP	94.00	7.98	8.79	6.17	1.10.86
9% ARBED Finance 80/87 PP	100.50	8.96	8.89	6.83	1. 6.87
8¾% Ardal-Sunndal 75/81 PP	100.00	8.75	8.72	0.92	1. 7.81
6¾% Ardal-Sunndal 77/89 PP	89.00	7.58	9.53	5.18	1. 7.82—89D
7½% Argentine 77/84	92.75	8.09	9.68	4.17	1.10.84
6½% Argentine 78/85	88.25	7.37	9.78	4.58	1. 3.85
6½% Argentine 78/88	85.10	7.64	9.83	6.16	1.11.84—88D
7½% Argentine 79/89	93.25	8.04	8.62	8.75	1. 5.85—89S
7% Asian Dev. Bk. 69/84	99.50	7.04	7.27	4.08	1. 9.75—84S
6½% Asian Dev. Bk. 75/80 PP	98.50	8.63	13.67	0.29	due 16.11.80
8% Asian Dev. Bk. 76/82	99.85	8.01	8.05	1.58	1. 3.82
7¾% Asian Dev. Bk. 76/83 PP	98.50	7.87	8.37	2.67	1. 4.83
7% Asian Dev. Bk. 77/85	96.25	7.27	7.98	4.67	1. 4.85
5½% Asian Dev. Bk. 78/88	85.00	6.47	8.18	7.75	1. 5.88
7¼% Asian Dev. Bk. 79/89	94.80	7.65	8.09	9.00	1. 8.89
10% Asian Dev. Bk. 80/90	109.50	9.13	8.52	9.75	1. 5.90
7½% Aumar 73/88 (G)	97.80	7.66	8.32	3.79	1. 2.79—88D
9% Aumar 76/84 (G)	100.90	8.92	8.59	2.49	15. 8.77—84S
7¾% Aumar 77/84 (G)	96.75	8.01	8.78	3.92	1. 7.84
6½% Australia 67/82	100.50	6.47	6.04	1.23	1.11.73—82S
6¾% Australia 68/83	100.00	6.75	6.86	3.00	1. 8.74—83S
6½% Australia 69/84	99.50	6.53	6.77	3.50	1. 2.75—84S
7¼% Australia 69/84	100.50	7.21	7.11	2.18	1.11.75—84S
7% Australia 72/87	99.50	7.04	7.09	6.50	1. 2.78—87S
10% Australia 74/80	100.00	10.00	9.59	0.17	due 1.10.80
9% Australia 75/82	101.75	8.85	7.66	1.50	1. 2.82
8¼% Australia 76/82 I PP	100.50	8.21	7.87	1.67	1. 4.82
8¼% Australia 76/82 II PP	100.75	8.19	7.74	1.75	1. 5.82
7¼% Australia 76/83	100.00	7.25	7.22	2.58	1. 3.83
5¼% Australia 77/82 PP	94.75	5.54	7.97	2.17	1.10.82
5¾% Australia 77/89	89.50	6.42	7.35	9.25	1.11.85—89S
6% Australia 78/88	91.35	6.57	7.46	8.08	1. 9.88
8% Australia 80/87 PP	102.00	7.84	7.63	7.33	1.12.87
8⅛% Australia 80/90	103.75	7.83	7.55	9.58	1.3.90
6¾% Austr. Ind. Dev. Corp. 72/87	96.75	6.98	7.69	4.10	1.11.78—87D
7% Rep. of Austria 68/82	99.25	7.05	7.62	1.67	1. 4.73—82S
6½% Rep. of Austria 69/83	99.60	6.53	6.77	2.67	1. 4.75—83S
9¾% Rep. of Austria 74/80 PP	99.75	9.77	10.43	0.25	due 1.11.80
9¾% Rep. of Austria 74/81 PP	100.00	9.75	9.67	1.33	1.12.81
8¼% Rep. of Austria 75/81 PP	9.75	8.27	8.51	0.83	1. 6.81
8¾% Rep. of Austria 75/82 PP	100.00	8.75	8.67	1.16	1. 4.79—82D
9% Rep. of Austria 75/83	102.75	8.76	7.71	2.60	1. 2.83
8¾% Rep. of Austria 75/83 PP	100.50	8.71	8.36	1.84	1. 4.79—83D
8½% Rep. of Austria 76/87	102.25	8.31	7.77	3.79	1. 5.78—87S
7¾% Rep. of Austria 76/88	101.25	7.65	7.38	4.21	2. 5.83—88S
6¾% Rep. of Austria 77/85	96.75	6.98	7.59	4.67	1. 4.83—85S
7% Rep of Austria 77/87 PP	96.75	7.24	7.90	4.34	1. 1.83—87D
6¾% Rep. of Austria 77/87 PP	95.50	7.07	7.84	6.50	1. 2.83—87D
6% Rep. of Austria 77/87 PP	90.00	6.67	8.53	5.53	1. 9.84—87D
5¾% Rep. of Austria 78/88 PP	90.00	6.39	7.94	5.88	15. 7.84—88D
5¾% Rep. of Austria 78/90	87.10	6.60	7.60	10.25	1.11.85—90D
6¾% Rep. of Austria 79/84 PP	96.25	7.01	7.85	4.08	1. 9.84
7% Rep. of Austria 79/87 PP	94.50	7.41	8.04	7.08	1. 9.87
6¼% Rep. of Austria 79/89 PP	91.50	6.83	8.11	5.89	1. 2.84—89D
7¼% Rep. of Austria 79/89 PP	95.25	7.61	8.00	9.08	1. 9.89
8¼% Rep. of Austria 80/86 PP	103.50	7.97	7.49	5.89	20. 6.86
8¼% Rep. of Austria 80/88 PP	101.80	8.10	7.93	7.89	20. 6.88
8¼% Rep. of Austria 80/90 PP	101.75	8.11	7.98	9.89	20. 6.90
7% Autopistas Cataluna 78/85 PP	93.00	7.53	8.95	4.46	16. 1.85
7¼% Autopistas Espanola 69/84 (G)	97.10	7.47	8.29	3.92	1. 7.73—84S
8% Autopistas Espanola 71/86 (G)	98.00	8.16	8.85	3.54	1.10.77—86D
6¾% Autopistas Espanola 72/87 (G)	93.60	7.21	8.70	4.00	1.10.78—87D

WestLB SD Certificates (Schuldschein-Index)

5 years maturity: 7.85%

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
7¼% Autopistas Espanola 79/85 PP (G)	93.50	7.75	9.02	4.58	1. 3.85
7¼% Banco N. Desarrollo 79/86 (G)	88.30	8.21	10.07	5.58	1. 3.86
8% Banco N. Obras 71/86 (G)	99.50	8.04	8.26	6.25	1.11.77—86S
9% Banco N. Obras 76/81 (G)	100.00	9.00	8.97	1.08	1. 9.81
7¼% Banco N. Obras 77/82 PP (G)	97.50	7.44	8.63	2.04	16. 8.82
7% Banco N. Obras 77/82 PP (G)	96.50	7.25	8.79	2.21	16.10.82
7% Banco N. Obras 77/84 (G)	96.20	7.28	8.10	4.17	1.10.84
5¾% Bk. America Overs. Fin. 78/90	91.00	6.32	7.00	10.25	1.11.90
6% Bank of Tokyo 79/86 PP	92.00	6.52	7.83	5.50	1. 2.86
7½% Banque Ext. Algerie 77/83	95.75	7.83	9.07	3.21	15.10.81—83D
7¼% Banque Ext. Algerie 78/85	91.25	7.95	9.87	4.22	1.11.83—85D
7¼% Banque Nat. Algerie 78/83	93.50	7.75	10.20	2.58	1. 3.83
6¾% Barclays Overs. Inv. 79/89	94.00	7.18	7.71	8.76	1. 5.89
8% Barlow Rand Inv. 78/82 I PP	97.00	8.25	9.70	2.04	15. 8.82
8% Barlow Rand Inv. 78/82 II PP	97.00	8.25	9.61	2.12	15. 9.82
6% BASF 65/80	99.85	6.01	6.76	0.17	due 1.10.71—80D
7½% BEC Finance 76/83 PP	96.25	7.79	8.86	3.25	1.11.83
8% Beecham Fin. 76/83	101.00	7.92	7.62	3.25	1.11.83
8¾% Bergen 75/85	101.60	8.61	8.03	2.67	1. 5.81—85D
7¼% Bergen 77/89	96.25	7.53	8.32	4.23	1. 2.81—89D
8¼% BFCE 75/83 (G)	101.00	8.17	7.65	1.89	1. 7.81 83S
8¼% BFCE 76/84 (G)	101.30	8.14	7.72	2.89	1. 7.82—84S
7% BFCE 77/87 (G)	96.75	7.24	7.64	6.50	1. 2.83—87S
5¾% BFCE 78/88 (G)	89.50	6.42	7.84	7.46	15. 1.86—88S
7¾% BFCE 80/87 (G)	99.75	7.77	7.79	6.48	15. 1.87
8¼% BFCE 80/95 (G)	100.75	8.06	8.01	10.75	15. 1.88—95S
8½% BNDE 77/87	96.75	8.79	9.48	4.03	1. 4.83(82—87)
6¾% BNDE 78/86	86.35	7.91	10.31	5.58	1. 3.86
9¼% BNDE 80/88	96.25	9.61	9.95	7.90	1. 7.88S
9% Borregaard 75/81 PP	99.50	9.05	9.61	0.75	1. 5.81
6½% Borregaard 77/84 PP	92.00	7.07	8.87	4.17	1.10.84
8½% Brascan Int'l. 73/88	102.30	8.31	7.81	4.11	1.10.79—88S
6¾% Brazil 72/87	91.15	7.41	8.44	7.17	1.10.78—87S
8¾% Brazil 76/86	99.75	8.77	8.79	6.17	1.10.82(80—86)
7¾% Brazil 77/84	95.75	8.09	9.12	3.75	1. 5.84
6¾% Brazil 78/85	90.00	7.50	9.57	4.50	1. 2.85
7¼% Brazil 79/87	91.50	7.92	9.04	6.42	1. 1.87
8% Brazil 79/87	94.00	8.51	9.20	7.00	1. 8.87
9¼% Brazil 80/88	97.25	9.51	9.76	7.82	1. 6.88
6¾% Brenner 68/83 (G)	99.00	6.82	7.25	3.00	1. 8.74—83S
5¾% Bruxelles-Lambert 77/84 PP	97.75	6.27	8.05	4.36	15.12.84
8½% Burmah Oil 70/85	102.50	8.29	7.57	2.64	1.11.76—85D
4¾% Canada 78/83	93.25	5.09	7.50	2.80	20. 5.83
5% Canada 78/84	92.50	5.47	7.34	3.77	10. 5.84
6% Carlsberg-Tuborg 77/87 PP	88.50	6.78	8.13	7.33	1.12.85—87D
8½% C.C.C.E. 75/85 (G)	101.30	8.39	7.89	2.59	1. 4.81—85D
8½% C.C.C.E. 76/86 (G)	101.50	8.37	8.07	4.37	1. 7.83—86D
7% C.C.C.E. 77/89 (G)	96.75	7.24	7.51	8.67	1. 4.81—89D
5½% C E C A 65/83	96.00	5.73	8.17	1.64	1. 4.71—83D
7½% C E C A 71/86	100.00	7.60	7.48	3.14	1. 5.77—86D
6½% C E C A 72/87	96.10	6.76	7.73	3.77	1. 7.78—87D
7% C E C A 72/88	97.35	7.19	7.82	3.72	2. 1.79—88D
6½% C E C A 73/88	95.20	6.83	7.94	3.97	1. 4.78—88D
7¾% C E C A 73/88	108.50	7.14	5.60	4.61	1.11.79—88D
10% C E C A 74/81 PP	101.75	9.83	8.22	1.08	1. 9.81
9¾% C E C A 74/81	102.00	9.56	8.04	1.33	1.12.81
8% C E C A 75/80 PP	99.00	8.08	10.92	0.33	1.12.80
8½% C E C A 75/82 PP	100.00	8.50	8.44	1.58	1. 3.82
8% C E C A 76/82	101.00	7.92	7.49	2.37	15.12.82
8½% C E C A 75/85	102.25	8.31	7.48	2.59	1. 4.78—85D
8% C E C A 76/81 PP	99.00	8.08	8.74	1.37	15.12.81
7¾% C E C A 76/83	100.75	7.69	7.46	3.17	1.10.83
7¾% C E C A 76/86	100.25	7.73	7.66	4.09	1.10.82—86D
6% C E C A 78/88	89.75	6.69	7.72	8.25	1.11.88
5¼% C E C A 78/90	85.40	6.15	7.90	7.47	1. 4.85—90D
6% C E C A 78/90 PP	88.50	6.78	8.43	6.29	1. 8.83—90D
7% C E C A 79/91	94.20	7.43	7.99	8.06	15. 4.84—91D
7⅞% C E C A 80/90	100.10	7.87	7.85	9.42	2. 1.90
7¾% C.E.D. South Africa 78/82 PP (G)	98.25	7.89	8.75	1.97	20. 7.82
6½% CERGA 73/81 PP	98.00	6.63	9.63	0.67	1. 4.81
7% CESP 77/87 (G)	91.25	7.67	8.66	7.25	1.11.83(82—8)
6% Chase Manhattan Ov. 78/93	90.00	6.67	7.20	13.08	1. 9.84—93S
7% Chrysler 69/84	83.75	8.36	12.73	3.92	1. 7.75—84S
6¾% CIBA-GEIGY ex. w. 75/85 PP	97.50	6.92	7.34	5.17	1.10.85
6½% C.N. Autoroutes 69/84 (G)	97.40	6.67	7.90	2.04	1. 3.75—84D
6½% C.N. Energie 69/84 PP (G)	97.00	6.70	8.19	1.95	1. 2.75—84D
6½% C.N. Telecom. 68/83 (G)	97.30	6.68	7.45	3.25	1.11.74—83S
8½% C.N. Telecom. 70/85 (G)	101.75	8.35	8.00	3.09	1.10.76—85S
7¼% C.N. Telecom. 78/83 (G)	98.25	7.30	7.54	2.71	16. 4.843
6¼% C.N. Telecom. 79/87 (G)	93.25	6.70	7.58	6.58	1. 3.87
7¾% C.N. Telecom. 79/87 PP (G)	100.25	7.86	7.82	7.37	16.12.87
7¾% Comalco 71/86	99.75	7.77	7.95	5.83	1. 6.77—86S
7% Com. Fed. Electr. 77/82 PP	96.50	7.25	8.90	2.08	1. 9.82
8% Com. Fed. Electr. 77/84	99.25	8.06	8.22	3.83	1. 6.84
7¼% Com. Fed. Electr. 77/85	95.00	7.63	8.88	3.70	1.11.82—85D
6¾% Com. Fed. Electr. 78/88	90.60	7.45	8.95	5.58	1. 4.84—88D
5% Commerzbank Int'l. 79/84 PP	91.75	5.45	7.83	3.42	1. 1.84
4¼% Comp. F. Deutsche Bk. 78/83 PP	91.50	4.78	7.92	2.75	1. 5.83
5% Comp. F. Deutsche Bk. 78/84 PP	92.00	5.43	7.74	3.42	1. 1.84
8½% Comp. Franc. Petr. 75/85	102.25	8.31	7.56	2.78	1. 5.80—85S
6½% Comp. Franc. Petr. 77/84	96.60	6.73	7.53	3.92	1. 7.84
8½% Consorzio 70/91 (G)	99.50	8.54	8.81	5.01	1. 1.77—91D
5¾% Copenhagen 64/84	93.50	6.15	7.64	4.37	15.12.70—84D
7% Copenhagen 68/83	99.50	7.04	7.33	2.75	2. 5.72—83S
6¾% Copenhagen 69/84	99.75	6.77	6.94	3.83	1. 8.75—84S
7¾% Copenhagen 71/86	99.75	7.77	7.95	5.67	1. 4.77—86S
7½% Copenhagen 76/86	98.65	7.60	7.76	6.33	1.12.81—86S
6% Copenhagen 78/90	87.10	6.89	7.87	10.25	1.11.81—90S
6½% Council of Europe 73/81 PP	98.00	6.63	9.31	0.75	1. 5.81
7% Council of Europe 73/88	96.25	7.27	8.08	4.21	1. 7.79—88D
9½% Council of Europe 75/82 PP	100.50	9.45	9.05	1.50	1. 2.82
8½% Council of Europe 76/83	102.50	8.29	6.62	1.48	1. 2.79—83D
7¾% Council of Europe 76/83	100.00	7.75	7.72	1.73	1. 5.80—83D
7% Council of Europe 76/83	97.25	7.20	7.95	3.33	1.12.83
6¼% Council of Europe 77/87	94.00	6.65	7.69	5.19	1.11.83—87D
6¼% Council of Europe 78/86 PP	89.50	6.98	8.58	5.92	1. 7.86
6¼% Council of Europe 78/88	91.20	6.72	8.10	5.71	16. 5.84—88D
6¼% Council of Europe 78/88 II	91.25	6.85	8.10	6.17	1.11.84—88D
6¼% Council of Europe 78/88 III	91.75	6.81	7.98	6.17	1.11.84—88D
6¾% Council of Europe 79/89	97.25	7.46	7.86	5.60	1. 5.83—89D
7¾% Council of Europe 79/89	97.15	7.72	8.04	7.09	1.10.85—89D
7½% Council of Europe 79/94	99.85	7.89	7.89	9.44	1.11.85—94D
7¾% Council of Europe 79/94	94.00	6.91	7.86	6.92	1. 7.80—87S
6½% Courtaulds Int'l. 72/87	92.25	6.50	7.43	7.17	1.10.83—87S
6% Credit National 77/87 (G)	83.50	6.15	8.21	3.08	1. 9.83
5¾% Credit National 78/83 PP (G)	92.75	7.01	7.94	6.63	16. 4.85—89D
6½% Credit National 79/89 (G)	99.75	9.02	9.05	3.50	1. 2.81(82-84)
9% CVRD 76/84	97.25	8.74	9.07	6.33	1.12.82(83—86)
8½% CVRD 76/86	100.25	7.98	8.04	2.64	1.11.76—85D
8% Daimler-Benz 70/85	92.50	5.95	8.43	3.00	1. 8.83
5½% Daishowa Paper 78/83 PP	96.75	6.20	8.88	1.22	1.11.78—82D
6% Danish Export 77/82 PP	96.00	5.99	8.20	1.81	1. 6.79—83D
5¾% Danish Export 78/83 PP	99.90	8.26	8.26	6.25	1.11.82—86S
8¼% Den Danske Bk. 76/86	88.25	6.55	11.35	0.17	due 1.10.72—80D
6½% Denmark 68/80 PP	99.25	7.05	7.35	4.00	1. 8.75—84S
7% Denmark 69/84	97.25	6.94	7.24	7.33	1.12.78—87S
8¾% Denmark 72/87	101.60	9.10	8.78	4.49	1. 3.80—89S
8¼% Denmark 74/89	100.75	8.19	7.65	1.50	1. 2.82
8¼% Denmark 76/82	99.75	8.02	8.12	2.08	1. 9.82
8% Denmark 76/82	98.90	6.97	8.02	2.79	16. 5.83
6¾% Denmark 77/83	96.50	7.51	7.93	6.79	16. 5.87
7¼% Denmark 77/87	91.25	5.75	8.21	3.50	1. 2.84
5¼% Denmark 78/84	88.50	6.78	8.09	7.50	1. 2.88
6% Denmark 78/88	91.00	6.32	8.21	4.50	1. 2.85
5¾% Denmark 79/85	89.60	7.25	8.24	8.50	1. 2.89
6½% Denmark 79/89	99.60	7.91	7.95	5.50	1. 2.86
7⅞% Denmark 80/86	99.50	8.29	8.31	11.50	1. 2.92P
8¼% Denmark 80/92	104.75	9.07	8.74	9.75	1. 5.90
9½% Denmark 80/90 PP	95.25	7.09	8.02	4.56	1. 6.80—89D
6¾% Den Norske Ind. 77/89 (G)	90.50	6.63	8.04	6.05	1. 5.83—90D
6% Den Norske Ind. 78/90 (G)					

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
6½% District Paris 69/84 (G)	97.00	6.70	7.45	3.67	1. 4.75—84D
7¼% E E C 76/83	99.65	7.28	7.37	2.67	1. 4.83
7% Eletrobras 77/87 (G)	92.00	7.61	8.55	7.08	1. 9.83(83—87)
6¾% Eletrobras 78/85 (G)	86.50	7.80	9.96	5.67	1. 4.86
7% Eletrobras 79/87 (G)	86.25	8.12	9.96	6.50	1. 2.87
5¼% Elf Aquitaine 78/88	86.75	6.05	7.84	6.76	15. 5.86—88D
5¾% Elkem 78/88 PP	87.50	6.57	8.59	5.75	1. 6.84—88D
6¾% Ericsson 72/87	96.50	6.99	7.43	6.58	1. 3.78—87S
8¾% ESAB 76/81 PP	100.00	8.75	8.56	0.50	1. 2.81
6½% ESCOM 65/80 (G)	99.80	6.51	7.55	0.17	due 1.10.71—80D
6½% ESCOM 68/83 (G)	95.75	6.79	8.74	2.14	1.10.74—83D
8½% ESCOM 70/85 (G)	100.45	8.46	8.27	2.59	1. 4.76—85D
8% ESCOM 71/86 (G)	98.00	8.16	8.97	2.96	1. 3.77—86D
6¼% ESCOM 72/87 (G)	90.00	6.94	9.42	3.90	1. 9.78—87D
7% ESCOM 73/88 (G)	92.35	7.59	9.39	4.02	1. 5.79—88D
8% ESCOM 78/81 I PP (G)	99.0	8.08	10.13	0.46	15. 1.80—81D
8% ESCOM 78/81 II PP (G)	99.00	8.08	9.94	0.50	1. 2.80—81D
8¼% ESCOM 78/81 PP (G)	98.50	8.38	11.26	0.50	1. 2.81
8% ESCOM 78/84 PP (G)	96.00	8.33	9.16	4.25	1.11.84
8¾% ESCOM 79/84 I PP (G)	98.60	8.88	9.22	4.00	1. 8.84
8¾% ESCOM 79/84 II PP (G)	98.50	8.88	9.22	4.00	1. 8.84
7¾% ESTEL 73/88	98.00	7.91	8.10	8.00	1. 8.79—88S
8½% ESTEL 75/85	100.50	8.46	8.30	3.16	1. 6.81—85S
8½% ESTEL 76/83 PP	98.75	8.61	9.02	2.58	1. 3.83
6½% ESTEL 77/84 PP	90.25	7.20	9.37	4.25	1.11.84
6¼% ESTEL 77/84 PP	89.50	6.89	10.12	3.30	1.12.82—84D
6¼% ESTEL 78/85 PP	88.50	7.06	9.13	5.17	1.10.85
7¾% ESTEL 79/86 PP	95.50	8.12	8.75	6.00	1. 8.86
8¼% ESTEL 79/86 PP	96.00	8.46	8.96	6.37	15.12.86
8⅞% ESTEL 80/87 PP	100.00	8.88	8.87	6.87	15. 6.87
5¾% Euratom 77/87	88.65	6.49	7.85	7.25	1.11.87
6¼% Euratom 79/91 PP	90.00	6.94	8.21	6.81	8. 2.84—91D
6% Eurofima 65/80	99.80	6.01	6.49	0.33	1.12.68—80D
6½% Eurofima 67/83	97.75	6.65	7.71	2.06	1. 9.71—83D
6¼% Eurofima 72/87	96.00	6.51	7.45	3.94	1. 9.76—87D
6½% Eurofima 73/88	95.75	6.79	7.79	3.89	1. 3.77—88D
8% Eurofima 73/88	100.75	7.94	7.78	4.47	1.10.77—88D
8% Eurofima 76/83	101.50	7.88	7.29	2.60	1. 2.83
6¾% Eurofima 77/87 PP	95.25	7.09	8.05	4.42	1. 2.83—87D
5½% Eurofima 78/88	89.75	6.13	8.09	4.93	15. 2.84—88D
5½% Eurofima 78/88 PP	88.50	6.21	7.76	6.70	1.11.85—88D
6½% Eurofima 79/89	93.65	6.94	7.78	6.43	1. 2.85—89D
7% Eurofima 79/84 PP	96.50	7.25	8.01	4.17	1.10.84
7⅜% Eurofima 79/87 PP	97.50	7.56	7.84	7.17	1.10.87
7⅞% Eurofima 80/88 PP	99.50	7.91	7.95	7.46	15. 1.88
6% Europ. Inv. Bank 69/84	96.40	6.22	8.10	2.03	1. 3.75—84D
7% Europ. Inv. Bank 69/84	100.00	7.00	7.12	2.71	1.11.75—84D
7½% Europ. Inv. Bank 71/86	99.90	7.51	7.68	2.98	1. 3.77—86D
7¾% Europ. Inv. Bank 71/86	99.50	7.79	7.90	3.56	1.10.77—86D
6½% Europ. Inv. Bank 72/87	95.60	6.80	8.00	3.43	1. 3.78—87D
6% Europ. Inv. Bank 72/87	94.00	6.38	7.83	3.93	1. 9.80—87D
6¾% Europ. Inv. Bank 73/88	97.50	6.92	7.18	7.50	1. 2.79—88S
7% Europ. Inv. Bank 73/88	97.25	7.20	7.47	7.92	1. 7.79—88S
10% Europ. Inv. Bank 74/81 PP	100.25	9.98	9.71	1.08	1. 9.81
8% Europ. Inv. Bank 75/80	99.90	8.01	8.10	0.33	1.12.80
9½% Europ. Inv. Bank 75/83	102.50	9.27	7.48	1.39	1. 1.81—83D
8% Europ. Inv. Bank 76/83	100.75	7.94	7.55	1.89	1. 7.80—83D
7¾% Europ. Inv. Bank 76/83 PP	99.50	7.79	7.92	3.17	1.10.83
6¾% Europ. Inv. Bank 76/84	97.25	6.94	7.86	2.79	1.12.81—84D
6% Europ. Inv. Bank 77/89	91.50	6.56	8.03	5.30	1. 8.82—89D
6% Europ. Inv. Bank 78/88 I PP	87.50	6.86	8.19	8.00	1. 8.88
6% Europ. Inv. Bank 78/88 II PP	87.25	6.88	8.17	8.29	15.11.88
5¼% Europ. Inv. Bank 78/90	85.25	6.16	7.96	7.39	1. 3.85—90D
6% Europ. Inv. Bank 78/90	87.25	6.88	7.86	10.17	1.10.90 P
7½% Europ. Inv. Bank 79/89	98.50	7.61	7.73	8.83	1. 6.89
7⅝% Europ. Inv. Bank 79/89 PP	97.25	7.84	8.07	9.00	1. 8.89
6½% Europ. Inv. Bank 79/91	89.75	7.24	7.98	10.42	1. 1.91P
9¼% Europ. Inv. Bank 80/86	104.75	8.83	8.16	5.74	1. 6.86
9½% Europ. Inv. Bank 80/90	107.75	8.82	8.30	9.74	1. 5.90
8¼% Europistas 71/86 (G)	101.30	8.14	7.89	2.89	1. 2.77—86D
8% Europistas 72/87 (G)	98.50	8.12	8.72	3.25	1. 1.78—87D
7½% Fin. Inst. f. Dan. Ind. 76/81 PP	98.75	7.59	8.47	1.33	1.12.78—81S
7% Finland 68/83	98.25	7.12	8.21	1.81	1. 6.72—83D
6¾% Finland 68/83	97.00	6.96	8.78	1.78	1.12.72—83D
7% Finland 69/84	97.40	7.19	8.48	2.20	2. 5.73—84D
7½% Finland 69/84	98.25	7.63	8.42	2.62	1.10.73—84D
7% Finland 72/87	98.50	7.11	7.42	6.67	1. 4.78—87S
8% Finland 76/84	100.00	8.00	7.99	3.83	1. 6.81—84S
5½% Finland 78/83 PP	93.00	5.91	8.71	2.50	1. 2.83
6% Finland 78/83	94.25	6.37	8.02	3.33	1.12.83
5¾% Finland 78/86	89.25	6.44	8.25	5.50	1. 2.86
8% Finland 79/86	100.00	8.00	7.99	6.37	16.12.86
7½% Finn. Kommunal 69/81 (G)	99.00	7.58	8.96	0.82	1.12.72—81D
8% Finn. Kommunal 71/83 (G)	99.60	8.03	8.40	1.73	2. 5.76—83D
8¼% Forsmarks 75/83 (G)	100.90	8.18	7.71	1.89	1. 7.80—83D
5¾% Forsmarks 78/90 (G)	89.75	6.41	8.03	5.76	16. 1.83—90D
7½% Francetel 76/83 (G)	99.60	7.53	7.63	3.21	16.10.83—90D
6¾% Francetel 77/84 PP (G)	96.50	6.99	7.87	3.67	1. 4.84
7% Juji Heavy 76/81 PP	97.50	7.18	9.02	1.33	1.12.81
9¼% Gen. Zbk. Vienna 75/82 PP	100.50	9.20	8.83	1.58	1. 3.82
8½% Gen. Zbk. Vienna 76/83 PP	100.00	8.50	8.45	1.99	1. 2.82—83D
6% Gen. Zbk. Vienna 77/87	91.75	6.54	7.97	5.26	1.12.83—87D
9¾% Giroz. Vienna 74/80 PP	100.10	9.71	9.13	0.33	1.12.80
7% Giroz. Vienna 76/81	99.10	7.06	7.74	1.25	1.11.81
7¼% Giroz. Vienna 76/83	99.25	7.30	7.50	3.25	1.11.83
5½% Giroz. Vienna 77/82	95.50	5.76	7.82	2.17	1.10.82
5¾% Giroz. Vienna 78/86 PP	89.75	6.41	7.91	6.17	1.10.86
6¾% Giroz. Vienna 79/84 PP	96.75	7.11	7.84	4.04	16. 8.84
8⅞% Giroz. Vienna 80/87 PP	103.75	8.55	8.13	6.83	1. 6.87

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
6% G.I.S. 78/83 PP	95.00	6.32	8.20	2.58	1. 3.82—83D
7% Grand Metrop. Fin. 77/84	96.90	7.22	7.93	4.00	1. 8.81—84
8% Guest-Keen-Nettl. 76/83	100.80	7.94	7.64	2.75	2. 5.83
6¾% Hamersley Iron 72/87	96.00	7.03	7.51	6.92	1. 7.78—87S
8% Hazama-Gumi 76/81 PP	98.50	8.12	9.89	0.83	1. 6.81
8¾% Hazama-Gumi 80/85 PP	102.75	8.52	8.04	4.87	16. 6.85
7% Helsinki 68/83	9.00	7.07	7.52	2.92	1. 7.72—83S
9% Hidroeléctr. Ibécica 80/90	98.25	9.16	9.38	6.82	1. 8.84—90D
7% Hitachi Cable 77/82 PP	97.50	7.18	8.90	1.42	1. 1.82
5¾% Hitachi Shipbldg. 78/83	94.50	6.08	7.64	3.37	16.12.83
8¾% IAKW, Vienna 75/85 (G)	101.00	8.66	8.29	2.67	1. 5.80—85D
10% IBM 80/86 PP	108.00	9.26	8.16	5.67	1. 4.86
7¼% Iceland 69/84	98.50	7.36	7.86	3.75	1. 5.73—84S
7¾% Iceland 77/87	99.00	7.83	7.94	6.65	1. 4.80—87S
6½% ICI Int'l 72/92	93.15	6.98	7.39	11.58	1. 3.78—92S
7½% ICI Int'l 76/86	99.50	7.54	7.60	5.31	1.12.84—86D
6¾% ICI Int'l 77/87	96.00	7.03	7.70	5.20	1. 5.84—87D
8% ICIPU 71/91 (G)	98.75	8.10	8.48	5.01	1. 1.77—91D
8% Imatran Voima 72/87 (G)	99.25	8.06	8.32	6.42	1. 1.78—87S
7% Indonesia 78/84	91.00	7.69	9.71	4.17	1.10.84
7¾% Ind. Dev. C. South-Afr. 78/82 PP (G)	96.50	8.03	9.98	1.75	1. 5.82
8% Ind. Dev. C. South-Afr. 78/83 PP (G)	98.00	8.16	8.80	2.92	1. 7.83
6½% Industr. Bk. Japan 73/81 PP	97.75	6.65	9.67	0.75	1. 5.81
5% Industr. Bk. Japan 78/84	93.65	5.34	7.15	3.42	1. 1.84
7¾% Ind. Fund of Finnland 79/87 PP	96.00	7.68	8.30	5.58	16. 9.84—87D
7½% Ind. Min. Dev. Iran 73/85	79.50	9.43	13.61	4.75	1. 5.77—85S
7¾% Ind. Min. Dev. Iran 77/87	70.10	11.06	14.97	6.92	1. 7.83—87S
7¼% Ind. Min. Dev. Iran 78/84	61.25	11.84	22.63	4.12	16. 9.84
6¾% Ind. Mtgebk. Finl. 68/80 (G)	99.75	6.77	7.86	0.25	due 1.11.73—80D
8% Ind. Mtgebk. Finl. 71/86 (G)	99.25	8.06	8.44	3.17	1.12.77—86D
7% Ind. Mtgebk. Finl 72/87 (G)	95.25	7.35	8.68	3.76	1. 7.78—87D
6¾% Int. Am. Dev. Bank 68/83	99.50	6.78	7.06	2.92	1. 7.72—83S
7% Int. Am. Dev. Bank 69/84	99.50	7.04	7.27	4.00	1. 8.75—84S
8½% Int. Am. Dev. Bank 70/85	101.25	8.40	8.08	2.47	1. 9.76—85S
6¾% Int. Am. Dev. Bank 72/87 I	94.85	7.12	7.74	6.83	1. 6.78—87S
6¾% Int. Am. Dev. Bank 72/87 II	96.00	7.03	7.48	7.25	1.11.78—87S
8% Int. Am. Dev. Bank 67/83 PP	100.00	8.00	7.97	2.54	16. 2.83
8¼% Int. Am. Dev. Bank 76/83 PP	100.00	8.25	8.24	2.92	1. 7.83
7% Int. Am. Dev. Bank 77/87	96.60	7.25	7.68	6.42	1. 1.83—87S
6¼% Int. Am. Dev. Bank 78/88	90.75	6.89	7.94	7.42	1. 1.88
7¾% Int. Am. Dev. Bank 79/86	101.25	7.65	7.48	5.92	1. 7.86
8% Int. Am. Dev. Bank 79/89 PP	100.00	8.00	8.00	8.96	15. 7.89
8% Int. Am. Dev. Bank 80/88	100.35	7.97	7.92	7.50	1. 2.88
6¾% Int'l Com'l Bank 73/83	99.00	6.82	7.34	1.81	1. 6.79—83D
8¼% Ireland 76/81	99.80	8.27	8.55	0.42	1. 1.81
7¾% Ireland 79/87 PP	95.50	7.85	8.39	6.75	1. 5.87
8⅛% Ireland 80/88	100.00	8.13	8.11	7.42	1. 1.88
7¾% ISCOR 71/86 (G)	96.25	8.05	8.76	5.83	1. 6.77—86D
7% ISCOR 72/87 (G)	93.25	7.51	9.52	3.49	1. 4.78—87D
7% ISCOR 73/88 (G)	92.75	7.55	9.30	3.85	1. 3.79—88D
8½% ISCOR 73/88 (G)	97.75	8.70	9.18	3.86	1.11.79—88D
8¼% ISCOR 77/80 I PP (G)	99.00	8.33	8.53	4.19	due 16. 9.79—80D
8¼% ISCOR 77/80 II PP (G)	99.00	8.33	10.83	0.37	16.12.79—80D
7¾% ISCOR 78/82 PP (G)	97.50	7.95	10.07	1.15	1. 4.81—82D
8¼% ISCOR 78/84 PP (G)	94.50	8.73	9.89	4.21	16.10.84
7% Japan 68/83	100.75	6.95	6.59	1.56	1. 3.72—83S
7¼% Japan Dev. Bank 76/83 (G)	98.75	7.34	7.76	2.67	1. 4.83
10¼% Japan Synthetic 80/85 PP	106.00	9.67	8.62	4.71	15. 4.85
8% Johannesburg 71/86 (G)	97.60	8.20	8.83	3.46	1. 9.77—86D
6¼% Johannesburg 72/87 (G)	90.50	6.91	9.25	3.91	1. 9.78—87D
7¾% Johannesburg 78/82 PP (G)	96.00	8.07	10.32	1.75	30. 4.82
7¼% Jydsk Telefon 69/84	98.40	7.37	7.86	4.12	15. 9.75—84S
6¾% Jydsk Telefon 72/87	96.00	7.03	7.53	6.58	1. 3.78—87D
7¼% Jydsk Telefon 73/88	96.00	7.55	7.97	7.50	1. 2.78—88D
9% Jydsk Telefon 57/82 PP	100.00	9.00	8.98	1.92	1. 7.82
8½% Jydsk Telefon 80/90	100.00	8.50	8.49	9.50	1. 2.90
6¾% Kansai Electric 69/84	99.00	6.82	7.19	3.58	1. 3.75—84S
7¾% Kansai Electric 71/86	100.25	7.73	7.64	3.14	1. 5.77—86S
6¾% KELAG 73/88	95.75	7.06	7.49	7.75	1. 5.79—88S
6¾% KHD Finance 72/87	97.00	6.96	7.32	6.75	2. 5.78—87S
7¼% Kjobenhavns H. Bank 76/83 PP	96.00	7.64	8.60	3.33	1. 12.83
7½% Kjobenhavns Tel. 72/87	97.46	7.70	8.17	6.42	2. 1.78—87S
7% Kjobenhavns Tel. 72/87	94.50	7.41	8.08	6.75	1. 5.78—87S
6½% Kjobenhavns Tel. 73/88	92.80	7.00	7.77	7.67	1. 4.79—88S
5% KLM Royal Dutch Airl. 78/85 PP	93.00	5.83	8.00	2.67	1. 5.79—85D
7% Kobe 68/83 (G)	99.55	7.06	7.30	2.83	1. 6.72—83S
6¾% Kobe 69/84 (G)	99.50	6.78	7.02	3.75	1. 5.73—84S
7¾% Kobe 71/86 (G)	100.00	7.75	7.73	5.50	1. 2.77—86S
6½% Kobe 77/87 (G)	87.00	6.96	7.32	6.75	1. 5.78—87S
7½% Kobe 76/83 (G)	100.25	7.48	7.38	2.83	1. 6.83
6¾% Kobe 72/87 (G)	93.80	6.83	7.69	6.83	1. 6.87
5¾% Kobe 78/86 (G)	91.10	6.31	7.67	5.92	1. 7.86
7¼% Kobe 79/89 (G)	98.20	7.41	7.71	9.17	1.10.89
8% Kobe 80/90 (G)	100.75	7.94	7.88	9.90	1. 7.90
7¾% Kommuni. Inst. 76/83	98.30	7.88	8.86	1.64	1. 4.81—83D
8% Kommuni. Inst. 76/84	99.10	8.07	8.25	4.21	15.10.77—84D
7¼% Korea Dev. Bank 77/84 (G)	90.25	8.03	10.12	4.33	11.12.84
6¼% Kubota Int'l 77/82 PP	94.75	6.54	8.45	1.82	1.12.81—82D
5¾% Kvaerner Ind. 78/88 PP	91.00	6.32	7.81	5.51	1. 3.84—88D
8½% Light-Servicos 77/82 (G)	98.15	8.68	9.75	1.58	1. 3.82
6¾% Light-Servicos 78/86 (G)	85.60	7.89	10.16	5.75	1. 5.86
8½% Light-Servicos 80/90 (G)	92.50	8.19	9.97	7.36	16. 1.86—90D
9¾% Lonrho Intern. 80/87	100.75	9.68	9.58	6.75	2. 5.87
6½% Lufthansa Int'l 79/86 PP	93.50	6.95	7.97	5.58	1. 3.86
7% Malaysia 72/84	96.50	7.25	8.74	2.28	1. 6.75—84D

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
6½% Malaysia 77/85	88.75	7.32	9.38	5.08	1. 9.85
9¼% Malmoe 75/84	102.50	9.02	7.77	1.95	1. 2.81—84D
8¼% Malmoe 76/83	100.25	8.23	8.02	1.56	1. 3.80—83D
6½% Manitoba 77/84	97.60	6.66	7.22	3.92	1. 7.84
6¾% Manit. Hydro El. 72/87	97.00	6.96	7.32	6.83	1. 6.78—87S
6¼% Megal Fin. Comp. 78/90	87.75	7.12	8.15	9.42	2. 1.85—90S
7% Megal Fin. Comp. 79/89	92.75	7.55	8.19	8.67	1. 4.87—89P
7% M E P C 73/88	94.00	7.45	8.82	4.03	1. 5.79—88D
7% Mexico 68/84	101.00	6.93	6.52	1.86	2. 1.73—84S
7¼% Mexico 73/88	96.80	7.49	7.82	7.42	1. 1.79—88S
9% Mexico 75/82	101.10	8.90	8.34	1.92	1. 7.82
8% Mexico 76/83	99.90	8.01	8.02	2.83	1. 6.83
7¾% Mexico 77/84	99.25	7.81	7.97	3.83	1. 6.84
6% Mexico 78/85	90.90	6.60	8.42	4.67	1. 4.85
6½% Mitsubishi Chemical 79/84	96.25	6.75	7.57	3.75	30. 4.84
5¾% Mitsubishi Petro 78/83	94.25	6.10	7.92	3.08	1. 9.83
7¾% Mitsui Toatsu 76/81 PP	98.00	7.91	9.68	1.12	15. 9.81
9% MODO 75/83	100.70	8.94	8.53	1.81	1. 6.80—83D
7% Montreal 69/89	95.00	7.37	8.39	4.40	1. 4.70—89D
6% Montreal 72/92	89.50	6.70	8.25	6.11	1. 9.73—92D
6¾% Montreal 73/93	91.30	7.39	7.85	12.83	1. 6.74—93S
8½% Montreal 76/86	100.95	8.42	8.15	3.30	1. 7.77—86S
7% Montreal 77/87	94.75	7.39	8.01	8.96	16. 7.78—87S
7½% Mortg. Denmark 69/84 (G)	99.75	7.52	7.71	4.25	1.11.75—84S
7% Mortg. Denmark 73/88 (G)	96.50	7.25	7.60	7.92	1. 7.79—88S
8½% Mortg. Denmark 80/90 (G)	100.50	8.46	8.42	9.90	1. 7.90
6¾% Mortg. Bk. Finl. 69/84 (G)	98.00	6.89	7.51	3.67	1. 4.73—84S
8¾% Nafi. Mexico 76/83 PP (G)	99.00	8.84	9.08	3.33	1.12.83
7% Nafi. Mexico 77/82 PP (G)	95.50	7.33	9.47	2.08	1. 9.82
8¾% Nafi. Mexico 77/84 (G)	100.20	8.73	8.65	3.58	1. 3.84
8¾% Nafi. Mexico 77/84 PP (G)	99.00	8.84	9.06	3.58	1. 3.84
8¼% Nat. Bk. Hungary 75/81	99.00	8.33	9.41	0.92	1. 7.81
6½% Nat. Bk. Hungary 77/85	90.75	7.16	8.76	5.25	1.11.85
7% Nat. Nederl. Fin. Maat 79/86 PP	97.75	7.18	7.48	6.17	1.10.86
8% Nat'l. Westm. Bk. 73/88	100.75	7.94	7.79	4.66	1.10.79—88S
8% Nederl. Gasunie 79/86	101.00	7.92	7.73	4.79	1.12.83—86
8½% Nederl. Gasunie 80/87	105.00	8.10	7.26	5.04	1. 3.84—87S
6¾% New Brunswick 72/87	97.00	6.96	7.29	7.25	1.11.78—87S
7¼% Newfoundland 69/84	102.00	7.11	6.46	2.46	1. 8.75—84S
8% Newfoundland 71/86	101.00	7.92	7.65	3.39	1. 8.77—86S
6¾% Newfoundland 72/87	95.00	7.11	7.67	7.25	1.11.78—87S
6½% Newfoundland 73/88	95.26	6.82	7.32	7.67	1. 4.81—88S
6¾% New Zealand 69/84	98.50	6.85	7.74	1.95	1. 2.75—84D
7½% New Zealand 71/86	100.25	7.48	7.54	3.14	1. 5.77—86D
7% New Zealand 72/87	98.20	7.13	7.61	3.35	1. 2.78—87D
7½% New Zealand 76/83	100.00	7.50	7.47	2.58	1. 3.83
7¾% New Zealand 76/86	101.50	7.64	7.31	4.18	1.11.82—86D
6¼% New Zealand 77/84	96.00	6.51	7.50	3.76	1. 5.84
5¼% New Zealand 78/86	89.25	5.88	7.68	5.58	1. 3.86
6% New Zealand 79/86 PP	92.50	6.49	7.71	5.50	1. 2.86
6¼% New Zealand 79/87	93.65	6.67	7.52	6.42	1. 1.87
7½% New Zealand 79/87	96.85	7.36	7.71	7.12	15. 9.87
8¼% New Zealand 79/84 PP	101.50	8.13	7.81	4.33	1.12.84
7⅞% New Zealand 80/88	100.00	7.88	7.87	7.94	15. 7.88
6¾% Nippon Housing Loan 79/84 PP	93.00	7.26	8.99	3.79	16. 5.84
6½% Nippon Kokan 79/84	95.25	6.82	8.03	3.67	1. 4.84
5¾% Nippon Steel 78/85	92.00	6.25	7.71	5.08	1. 9.85
8¾% Nippon T + T 75/82 (G)	101.00	8.66	8.00	1.58	1. 3.82
8¼% Nippon T + T 75/82 (G)	100.75	8.19	7.77	1.83	1. 6.82
7¾% Nippon T + T 76/83 (G)	101.50	7.64	7.19	3.17	1.10.83
5½% Nippon T + T 79/87 (G)	90.50	6.08	7.38	6.50	1. 2.87
5¾% Norcem 78/85	91.00	6.32	8.17	4.58	1. 3.85
7½% Norcem 79/86 PP	96.25	7.79	8.30	6.08	1. 9.86
5% Norddt. LB Int'l. 78/84 PP	92.00	5.43	7.68	3.50	1. 2.84
6¼% Nordic Inv. Bank 79/86	92.75	6.74	7.93	5.42	1. 1.86
8½% Norges Komm. Bank 70/85 (G)	101.25	8.40	8.19	3.09	1.10.76—85S
7% Norges Komm. Bank 76/81 (G)	99.25	7.05	8.00	0.75	1. 5.81
7% Norges Komm. Bank 77/89 (G)	98.00	7.14	7.31	8.67	1. 4.80—89S
6% Norges Komm. Bank 77/89 I (G)	97.75	6.54	7.26	9.79	16.10.80—89S
6% Norges Komm. Bank 77/89 II (G)	97.75	6.54	7.24	9.32	1.12.80—89S
6% Norges Komm. Bank 78/90 (G)	90.50	6.63	7.38	10.00	1. 8.81—90S
6¼% Norges Komm. Bank 79/89 (G)	92.00	6.79	7.56	8.42	1. 1.84—89S
7⅜% Norges Komm. Bank 79/89 PP (G)	98.25	7.51	7.65	9.04	16. 8.84—89S
7¾% Norges Komm. Bank 79/91 (G)	99.80	7.77	7.77	10.92	1. 7.84—91S
8¼% Norges Komm. Bank 79/94 (G)	101.75	8.11	7.97	9.56	16.12.85—94S
8½% Norpipe 76/84	102.75	8.27	7.02	2.12	1. 2.80—84S
8% Norpipe 76/88	100.25	7.98	7.93	5.22	1. 6.83—88S
6% Norpipe 77/89	89.85	6.68	7.56	9.25	1.11.84—89S
7¼% Norsea Gas 76/88	96.10	7.54	7.90	8.33	1.12.83—88S
7% Norsea Gas 77/89	94.35	7.42	7.90	6.92	1. 7.84—89S
9% Norsk Hydro 75/87	102.50	8.78	8.11	3.43	1. 3.80—87D
8% Norsk Hydro 76/88	102.75	7.79	7.32	5.06	1. 4.83—88S
6¾% Norsk Hydro 7/89	94.00	7.18	7.71	8.83	1. 6.82—89S
7¾% Norway 75/80	99.80	7.77	8.17	0.33	1.12.80
7% Norway 76/81	99.75	7.02	7.29	0.75	1. 5.81
7½% Norway 76/81	100.40	7.47	7.01	0.92	1. 7.81
6½% Norway 77/82	98.50	6.60	7.61	1.42	1. 1.82
6¼% Norway 77/82	97.75	6.39	7.71	1.67	1. 4.82
5¾% Norway 77/82	96.50	5.96	7.70	2.00	1. 8.82
4¾% Norway 78/83	93.65	5.07	7.71	2.42	1. 1.83
4½% Norway 78/83	92.50	4.73	7.57	2.67	1. 4.83
6¼% Norway 79/84	96.00	6.51	7.52	3.67	1. 4.84
7½% Norway 80/85	100.60	7.46	7.32	4.46	15. 1.85
7¼% Norw. Mortgage 77/87	96.75	7.49	8.09	4.71	16. 5.83—87D
6% Norw. Mortgage 7/89	91.00	6.59	8.05	5.59	16.11.82—89D
7¾% Nova Scotia 71/86	100.50	7.71	7.71	3.19	1.12.77—86D
7% Nova Scot. Power 72/87	97.00	7.22	7.54	7.33	1.12.78—87S
6¾% Occident. Int. Fin. 78/90	91.35	7.39	8.00	10.33	1.12.85—90S
6½% Occident. Overs. 68/83	94.00	6.91	8.89	3.17	1.10.72—83S
6% Oester. Donaukr. 59/84 (G)	96.25	6.23	8.28	1.95	1. 2.65—84D
6¾% Oester. Donaukr. 73/88 (G)	96.75	6.98	7.31	7.58	1. 3.79—88S
8¾% Oester. Draukr. 75/85 (G)	103.10	8.49	7.32	2.51	1. 3.81—85D
7% Oest. El. Wirtsch. 67/87 (G)	96.50	7.25	8.39	3.34	1. 2.73—87D
7% Oest. El. Wirtsch. 76/83 PP (G)	98.00	7.14	7.87	3.37	16.12.83
5½% Oest. Ind. Verwaltung 78/85 PP (G)	91.00	6.04	7.77	4.92	1. 7.85
6⅞% Oest. Inv. Kredit. 79/84 PP	96.75	6.96	7.21	4.25	1.11.84
7% Oest. Kontrollbank 76/83 PP (G)	96.75	7.24	8.13	3.33	1.12.83
6¾% Oest. Kontrollbank 77/84 PP (G)	96.50	6.99	7.91	3.50	1. 2.84
6½% Oest. Kontrollbank 77/84 PP (G)	96.00	6.77	7.72	3.92	1. 7.84
6¼% Oest. Kontrollbank 77/84 PP (G)	93.50	6.68	8.22	4.00	1. 8.84
6% Oest. Kontrollbank 77/85 PP (G)	92.00	6.52	7.91	5.25	1.11.85
5¾% Oest. Kontrollbank 78/84 PP (G)	91.00	6.32	8.50	4.00	1. 8.84
6½% Oest. Kontrollbank 78/88 (G)	92.75	7.01	7.70	8.37	16.12.88
6% Oest. Kontrollbank 79/87 PP (G)	90.00	6.67	8.02	6.50	1. 2.87
7½% Oest. Kontrollbank 79/89	98.90	7.61	7.86	9.17	1.10.88
8% Oest. Kontrollbank 79/84 PP (G)	101.00	7.92	7.70	4.33	1.12.84
7⅞% Oest. Kontrollbank 79/86 PP (G)	100.25	7.86	7.81	6.37	16.12.86
8% Oest. Kontrollbank 80/87 (G)	101.25	7.90	7.73	6.50	1. 2.87
8¾% Oest. Kontrollbank 80/85 PP (G)	102.75	8.52	7.99	4.62	15. 3.85
9% Oest. Kontrollbank 80/87 PP	104.75	8.59	8.05	6.79	15. 5.87
8¼% Oest. Kontrolbank 80/92	100.75	8.19	8.15	11.90	1. 7.92
5½% Oest. Länderbank 77/82	94.85	5.80	7.98	2.33	1.12.82
6½% Ontario 69/84	97.50	6.67	8.06	1.95	1. 2.75—84D
6% Ontario 72/87	94.00	6.38	7.83	3.93	1. 9.80—87D
7½% Ontario Hydro 71/86	99.25	7.56	7.75	3.18	1.12.77—86D
6½% Ontario Hydro 72/87	95.50	6.81	7.95	3.88	1. 6.80—87D
6½% Ontario Hydro 73/88	94.85	6.85	8.08	3.88	1. 3.81—88D
7½% Oslo 69/84	99.85	7.51	7.70	2.70	1.11.75—84D
7½% Oslo 71/87	99.25	7.56	7.79	6.42	2. 1.78—87S
6¾% Oslo 73/90	93.50	7.22	7.71	9.92	1. 7.76—90S
9% Oslo 75/87	103.50	8.70	7.83	3.62	1. 3.78—87S
8¾% Oslo 80/90	102.85	8.51	8.10	5.88	1. 3.83—90S
6¾% Papua 73/88	96.25	7.01	7.38	7.92	1. 7.79—88S
6¾% Parker-Hannifin 77/87 PP	92.50	7.30	8.74	4.75	1. 6.83—87D
7½% Parker-Hannifin 79/87 PP	97.00	7.73	8.16	5.89	1. 7.85—87D
8¾% Pemex 76/83	102.00	8.58	8.02	3.33	1.12.83
7% Pemex 77/84	97.80	7.16	7.64	4.08	1. 9.84
7% Pemex 78/86	94.40	7.42	8.31	5.42	1. 1.86
7% Petrobras 77/84	90.75	7.71	9.80	4.17	1.10.84
7% Petrobras 78/88	86.50	8.09	10.07	6.07	1.10.84—88D
8% Petrobras 79/89	90.75	8.82	9.87	7.07	1.10.85—89D
7¼% Philippine 77/84	92.75	7.82	9.38	4.25	1.11.84
6¾% Philippine 78/85	89.65	7.53	9.58	4.67	1. 4.85
8¾% Philips 75/81 PP	99.50	8.79	9.42	0.67	1. 4.81
8½% Philips 75/81 PP	99.50	8.54	9.15	0.71	15. 4.81
8¾% Philips 75/82	101.50	8.62	7.68	1.62	15. 3.82
5¾% PK-Banken 78/88	89.00	6.46	8.25	5.67	1. 5.84—88D
6¼% Postipankki 79/85 PP	98.00	6.25	6.88	2.96	1. 2.82—85D
7¼% Privatbk. Copenh. 77/83 PP	96.50	7.51	8.75	2.67	1. 4.83
6¼% Pyhrn Autobahn 77/89 (G)	91.75	6.81	7.92	6.47	1. 9.84—89D
6½% Quebec 72/87	94.50	6.88	8.25	3.76	1. 7.78—87D
7½% Quebec 77/87	97.90	7.66	7.91	6.50	1. 2.87
7¼% Quebec 77/87	96.50	7.51	7.93	6.83	1. 6.87
6% Quebec 78/90	88.50	6.78	8.18	7.14	1. 5.85—90D
6¾% Quebec Hydro El 69/84	99.45	6.79	7.05	3.50	1. 2.75—84S
7¼% Quebec Hydro El 69/84	98.50	7.36	8.07	2.53	1. 9.75—84D
8% Quebec Hydro El 71/86	100.10	7.99	8.12	3.47	1. 9.77—86D
8½% Quebec Hydro El 72/87	94.35	6.89	8.41	3.51	1. 4.78—87D
6½% Quebec Hydro El 73/88	94.50	6.88	8.19	3.88	1. 3.79—88D
6½% Quebec Hydro El 77/87	92.35	7.04	7.96	7.04	16. 8.87P
6¼% Quebec Hydro El 77/87	91.65	6.82	7.78	7.33	1.12.87P
8½% Queensland Alu 70/85	100.50	8.46	8.45	2.63	1.11.76—85S
5¾% Rautaruukki 78/88 (G)	88.10	6.53	8.50	5.59	1. 4.84—88D
7¼% Reed Paper 73/88	96.90	7.48	7.80	7.42	1. 1.79—88S
8½% Renfe 76/82 (G)	100.00	8.50	8.48	1.92	1. 7.82
8% Renfe 77/84 (G)	99.25	8.06	8.22	3.67	1. 4.84

WestLB Euro-Deutschmarkbond Yield Index

July 31, 1980: 8.26% **June 30, 1980: 8.43%**

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
7% Renfe 79/87 (G)	91.40	7.66	8.71	6.83	1. 6.87
5¼% Ricoh Comp. 78/83	92.50	5.68	8.17	3.00	1. 8.83
7¾% Roy. Bk. of Canada 80/90	99.50	7.79	7.82	9.99	1. 8.90
6¾% Roy Lease 79/84 PP	97.50	6.92	7.46	4.17	1.10.84
7¾% SAAB 71/86	99.65	7.78	7.98	5.83	1. 6.77—86S
7½% Saga Petrokjemi 77/87 PP	96.00	7.81	8.28	6.92	1. 7.83—87S
7½% Sandvik 72/87	98.35	7.63	8.06	3.35	1. 2.78—87D
9¼% Sandvik 75/83	101.75	9.09	8.40	2.50	1. 2.83
7% Sanko Steamship 77/84	96.75	7.24	8.08	3.50	1. 2.84
6½% Shell Int'l 72/87	98.50	6.60	6.78	6.67	1. 4.78—87S
6¾% Shell Int'l 77/89	97.50	6.92	7.24	6.43	1. 2.85—89D
7% Siemens Europa 66/81	99.60	7.03	7.31	1.25	1.11.70—81S
7% Singapore 72/82	96.25	7.27	9.38	1.92	1. 7.78—82S
6½% Singapore 77/83	96.50	6.74	7.95	2.75	1. 5.83
8½% Sira Kvina 70/85	100.75	8.44	8.35	2.75	1. 6.76—85D
6½— S.N.C.F. 68/83	97.50	6.67	7.40	3.17	1.10.72—83S
7½% Soc. Dev. Reg. 76/86 (G)	98.25	7.63	8.09	3.40	1. 4.80—86D
6¾% Soc. Dev. Reg. 77/92 PP (G)	88.25	7.08	8.40	7.54	16.12.83—92D
9% Soc. Mar. Fina 75/83 PP	100.00	9.00	8.95	1.72	1. 5.79—83D
6¼% Sorrento 79/84 PP	95.00	6.58	7.94	3.46	16. 1.84
6¾% South-Africa 69/84	99.50	6.78	7.02	3.67	1. 4.73—84S
8½% South-Africa 70/85	100.10	8.49	8.63	2.63	1.11.76—85S
7¾% South-Africa 71/86	98.25	7.89	8.27	6.25	1.11.77—86S
7% South-Africa 72/87	99.00	7.07	7.17	7.25	1.11.78—87S
9% South-Africa 80/87	99.25	9.07	9.74	6.90	1. 7.87
8% South-Afr. Broadc. 78/81 PP (G)	98.00	8.16	11.54	0.58	1. 3.81
7¼% South-Afr. Oil Fund 78/81 I PP (G)	96.00	7.55	10.78	1.25	1.11.81
7¼% South-Afr. Oil Fund 78/81 II PP (G)	97.50	7.44	9.34	1.29	16.11.81
7¾% South-Afr. Oil Fund 78/82 I PP (G)	97.00	7.99	9.47	2.00	1. 8.82
7¾% South-Afr. Oil Fund 78/82 II PP (G)	96.50	8.03	9.63	2.12	16. 9.82
8% South-Afr. Oil Fund 79/83 PP (G)	95.50	8.38	9.65	3.25	1.11.83
7¾% South-Afr. Oil Fund 79/84 PP (G)	95.50	8.12	9.25	3.58	1. 3.84
7½% South-Afr. Railway 73/88 (G)	98.00	7.65	7.84	7.83	1. 6.79—88S
8% South-Afr. Railway 78/81 PP (G)	99.25	8.06	9.68	0.42	2. 1.81
7¾% South-Afr. Railway 78/82 PP (G)	96.00	8.07	10.32	1.75	1. 5.82
8% South-Afr. Railway 78/83 I PP (G)	96.00	8.33	9.63	2.92	1. 7.83
8% South-Afr. Railway 78/83 II PP (G)	95.00	8.42	9.95	3.08	1. 9.83
7¾% South-Afr. Railway 78/83 PP (G)	94.50	8.20	9.73	3.33	1.12.83
7% South Scott. El. 73/88 (G)	96.10	7.28	7.69	7.50	1. 2.79—88S
6¾% Spain 77/84	94.75	7.12	8.35	4.00	1. 8.84
6% Spain 78/88	86.60	6.93	8.41	7.75	1. 5.88
6% Sparbank Oslo 78/90 PP	91.25	6.58	8.21	4.97	16. 5.81—90D
7¼% Standard Imp & Exp 78/82 PP	98.00	7.91	8.89	2.00	1. 8.82
6½% Stand. Chart. Bank 78/88	93.10	6.98	7.75	7.42	1. 1.88
6% Statoil 78/88 (G)	91.00	6.59	7.52	8.08	1. 9.84—88S
6½% Statoil 79/89 (G)	92.00	7.07	7.80	8.58	1. 3.86—89S
7% Statsfoeretag. 77/85	97.00	7.22	7.79	4.58	1. 3.82—85D
10% Steiermark 74/80 PP	100.00	10.00	9.59	0.17	due 1.10.80
8¾% Stockholm County 75/87	101.25	8.64	8.30	3.51	1. 4.79—87D
8½% Sumitomo Metal 75/82	101.25	8.40	7.76	1.82	1. 7.82
7½% Sun Oil Int. Fin. 73/88	99.75	7.52	7.54	8.00	1. 8.79—88S
7¼% Svenska Cell 73/88	97.50	7.44	7.69	7.50	1. 2.78—88S

CONVERTIBLES—U.S. (CONTINUED)

Issued / Amt. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Bond price / Share price	Cur. bond yld / Cur. share yld	Premium / Discount / First conv date
50 50.0	1967 100.00	GILLETTE INT CAP 4.75 31/12/1982 S	87 1/2 29	5.50 6.55	103.66
50 50.0	1972 100.00	GILLETTE 4.75 1/12/1987	73 1/2 29	6.71 6.55	62.88
15 9.5	1966 97.50	W.R. GRACE O/S 5.00 1/4/1986 S	83 5/8 43 3/4	6.00 5.26	10.87 1976
50 44.4	1968 100.00	GULF & WESTERN INT 5.00 1/2/1988	108 7/8 17 1/2	4.59 4.29	-3.13 DP1979
25 12.4	1972 100.00	HARRIS INT FIN 5.00 1/10/1992	267 43 3/4	1.87 1.65	-7.42 DP1983
15 10.0	1970 100.00	HOLIDAY INNS O/S 6.00 15/10/1985 S	95 1/4 25 5/8	8.53 2.73	30.10 DP1978
50 50.0	1971 100.00	HONEYWELL CAP 6.00 15/11/1986	89 1/8 52	6.73 3.26	16.25
50 16.0	1968 100.00	HONEYWELL O/S FIN 5.00 15/2/1983 S	99 3/4 92	5.55 3.26	8.02
25 25.0	1963 100.00	I.C.C. INT 5.50 1/6/1983 S	53 3/8	10.57	1979
50 50.0	1977 100.00	INA OVERSEAS FIN 6.00 1/8/1997	103 3/8 37	5.54 5.95	-5.30
20 20.0	1971 100.00	INTER-CONT HOTELS O/S 7.00 15/6/1986	82 5 3/4	8.54	75.80 DP1981
50 40.3	1968 100.00	INT STANDARD ELECTRIC 5.00 15/2/1988	79 59 1/8	6.25 7.97	43.19 DP1978
16 16.0	1968 100.00	INT STANDARD ELECTRIC 5.25 1/12/1988	68 3/4 30 1/8	7.64 7.97	50.55
25 16.0	1969 100.00	INT STANDARD ELECTRIC 6.25 1/11/1989	76 3/4 30 1/8	8.14 7.97	51.32 DP1979
12 1.7	1966 97.50	INT UTILITIES O/S 5.25 1/6/1986 S	113 3/4 16 1/8	4.67 6.85	-7.26 DP1977
15 15.0	1966 100.00	ISE FINANCE HOLDINGS 4.50 1/3/1986 S	72 23 1/8	6.35 7.97	-2.68 DP1977
50 50.0	1972 100.00	I.T.T. 4.75 1/10/1987	72 30 1/8	6.60 7.97	34.14
20 20.0	1969 100.00	I.T.T. SHERATON FIN 6.50 15/7/1989	75 3/8 30 1/8	8.62 7.97	25.29
25 24.0	1968 100.00	JONATHAN LOGAN O/S 4.75 1/6/1983 S	79 9 1/2	6.10 6.32	
30 28.5	1968 100.00	KAISER ALUM & CHEM FIN 5.00 1/2/1988 S	98 3/8 25	5.15 5.60	-3.12 1978
8 7.5	1980* 100.00	KOLLMORGEN INT FIN # 8.00 15/7/1995	103 1/8 29 1/4	7.76 1.57	
40 15.3	1969 100.00	LEASCO INT 5.00 15/1/1989	100 65 3/8	5.00 4.59	-5.16 1980
15 11.2	1968 100.00	LEVIN-TOWNSEND INT FIN 5.00 1/8/1988 S	42	12.26	1979
30 30.0	1979 100.00	LTC INTERNATIONAL FIN 8.00 15/6/1989	119 3/8 22 3/4	6.72	-15. DP1984
60 60.0	1968 100.00	LTV INTERNATIONAL 5.00 1/7/1988	67 7/8 13 3/8	7.37	32.08 1979
30 25.5	1968 100.00	MARINE MIDLAND O/S 5.00 15/5/1988	72 1/2 19	6.93 4.74	51.84 DP1978
15 9.6	1973 100.00	MARRIOTT 5.00 15/10/1988	85 3/8 27 1/8	5.86 .74	-5.86
20 20.0	1973 100.00	MASCO 4.50 31/1/1988	93 5/8 32 1/8	4.81 2.12	-6.01
25 25.0	1972 100.00	MASSMUTUAL MTGE REALTY 6.75 15/7/1987	71 3/4 13 3/4	9.41 10.34	68.29
30 13.6	1972 100.00	J.RAY MCDERMOTT 4.75 15/10/1987	184 2/3 31 3/8	2.58 4.46	-1.57
15 15.0	1969 100.00	MGIC CAP 5.50 1/5/1989 S	58 18 1/4	9.71	160.60
15 13.3	1968 100.00	MILES INT 4.75 15/6/1983 S	69	7.00	DP1978
20 20.0	1972 100.00	MOHASCO INT 5.00 15/6/1987	57 8 5/8	8.77 2.63	
25 19.0	1965 100.00	MONSANTO INT 4.50 15/10/1985 S	89 1/2 55 3/8	5.03 6.50	40.55 1976
50 50.0	1972 100.00	J.P. MORGAN O/S CAP 4.25 15/6/1987	89 1/8 45 7/8	4.77 6.10	1.31
20 6.9	1968 100.00	MOTOROLA INT 4.50 1/7/1983	170 3/4 54 1/4	2.44 2.58	-4.36
20 25.4	1965 100.00	NABISCO INT FIN 5.25 1/3/1988	98 5/8 25 7/8	5.32 6.26	-3.74 DP1979
7 1.6	1967 100.00	NATIONAL CAN O/S 5.375 1/12/1987 S	100 19 7/8	5.45 4.43	-5.91
50 50.0	1980* 100.00	NICOR O/S FIN 10.75 1/5/1995	109 1/2 33	9.82 8.12	21.11
25 6.9	1968 100.00	NORWICH O/S 4.75 15/12/1983 S	82 29 5/8	5.88 4.89	40.37
25 16.0	1972 100.00	OWENS-ILLINOIS INC 4.50 1/7/1987	104 1/2 29 3/4	4.31 4.03	-4.70
20 27.0	1968 100.00	PAN AMERICAN O/S 5.25 1/9/1988	64 7/8 5 3/4	8.09	80.13 DP1978
25 12.0	1969 100.00	J.C. PENNEY EUROPE 6.00 1/12/1989	73 3/4 27 3/8	8.14 6.72	46.83
35 35.0	1972 100.00	J.C. PENNEY INT FIN 4.50 1/8/1987	70 3/4 27 3/8	6.36 6.72	117.10
10 7.7	1969 100.00	PLANNING RESEARCH INT 6.50 15/12/1984	77 5/8 7 1/8	8.37	DP1977
6 3.0	1968 100.00	PLYWOOD-CHAMPION INT 5.25 15/2/1983	97 1/8 27 5/8	5.41 5.07	-5.95 1979
10 7.0	1971 100.00	RAMADA CAP 6.25 15/11/1986	83 3/8 6 1/2	7.75 1.41	47.23 DP1980
50 44.4	1968 100.00	RCA INT 5.00 1/2/1988	74 1/4 24 1/4	6.73 7.42	66.40 DP1979
25 21.2	1963 100.00	REVLON INT FIN 4.75 15/6/1983 S	141 1/8 50 1/4	3.39 3.10	-4.51
50 25.0	1972 100.00	REVLON 4.75 15/4/1987	119 7/8 50 1/4	3.96 3.10	-5.17
50 50.0	1968 100.00	REYNOLDS METALS CAP 5.00 1/6/1988 S	85 1/8 35	5.96 6.29	8.56 DP1979
13 12.5	1972 100.00	SAXON INDUSTRIES 5.75 31/10/1987 S	61 6	9.65 .83	52.50 1981
15 14.3	1969 100.00	SCM OVERSEAS CAP.CORP. 5.25 1/3/1989	81 5/8 28 7/8	6.35 6.23	29.74 DP1979
15 15.0	1968 100.00	SEARLE INT 4.75 15/5/1988	125 24 1/8	3.80 2.16	-5.01 1963
30 30.0	1972 100.00	SOUTHLAND 5.00 15/7/1987	75 22	6.67 4.36	20.00

CONVERTIBLES—U.S. (CONTINUED)

Issued / Amt. O/S (mln)	Year of issue / Issue price	Borrower / Coupon / Maturity	Bond price / Share price	Cur. bond yld / Cur. share yld	Premium / Discount / First conv date
15 15.0	1979* 100.00	SPECTRA-PHYSICS INT 8.00 15/12/1994 S	104 3/4 38 7/8	7.78	15.19
60 60.0	1973 100.00	SPERRY RAND 4.25 15/2/1988	103 7/8 54 1/2	4.09 3.23	-1.84
50 50.0	1972 100.00	SQUIBB INT FIN 4.25 15/6/1987	80 36 1/2	5.31 3.12	26.93
75 75.0	1963 100.00	TEXACO OPERATIONS-EUROPE 4.50 1/7/1988 S	86 36 1/2	5.30 6.58	4.26
25 25.0	1978 100.00	TEXAS INT AIRLINES 7.50 15/8/1993	84 1/2 12 1/4	8.88 1.31	.02
7 5.4	1969 100.00	THERMO ELECTRON INT 7.00 1/7/1984	93 30 1/4	7.53	-7.32 DP1977
10 10.0	1968 100.00	TRW INT 5.00 1/2/1988	90 45 3/8	5.56 4.85	4.13 1978
25 15.2	1969 100.00	TYCO INT FIN 5.00 1/3/1984 S	81 41	6.17 2.44	21.50
25 25.0	1978 100.00	TYCO INT FIN 8.50 15/6/1988	181 41	4.70 2.44	-7.29
50 26.6	1967 100.00	UNION CARBIDE INT 4.75 1/7/1982 S	93 1/2 43 1/2	5.14 7.36	21.44
30 30.0	1969 100.00	WALTER KIDDE FIN 5.00 1/2/1989	77 3/8 38 1/2	6.46 4.68	26.89 DP1980
15 15.0	1968 100.00	WARD FOODS O/S 5.75 1/11/1988	55 8 1/4	10.45	DP1979
15 1.2	1966 100.00	WARNER-LAMBERT 4.25 1/3/1981 S	90 3/4 19 7/8	4.74 6.64	5.02
50 50.0	1973 100.00	WARNER-LAMBERT 4.25 1/4/1988	69 3/4 19 7/8	6.09 6.64	115.83
40 41.0	1972 100.00	WARNER-LAMBERT 4.50 1/4/1987	71 19 7/8	6.34 6.64	71.47
20 7.5	1968 100.00	WARNER-LAMBERT 4.50 1/3/1988 S	75 1/4 19 7/8	6.07 6.64	9.80
75 75.0	1973 100.00	XEROX CORPORATION 5.00 1/12/1988	71 59	7.04 4.75	78.10

WestLB QUOTATIONS AND YIELDS

"Life" and "Maturity" appear in years and decimals of years and are—in this context—calculated as follows:

—to final maturity in case of a lump-sum repayment

—to final maturity in case of a sinking fund issue, whenever the quoted price is below 100

—*to average life in case of a sinking fund issue, whenever the quoted price is above 100*

—to average life in case the bond issue provides for mandatory drawings by lot at par only

PP—Private Placement (the smallest denomination may be larger than the usual DM 1,000 of public issue)

INVESTMENT FUNDS

The following funds include Eurobond issues within their portfolios

Quotations & Yields as at 31st July, 1980

SOCIETE GENERAL De BANQUE
BANQUE GENÉRALE Du LUXEMBOURG

Funds 31.7.1980	Price	First Issue Price	Yield %	Div. Date
Rentinvest	LuxFr 769	LuxFr 1000	9.09	20.11.79 (65.—)
Capital Rentinvest	LuxFr 1365	LuxFr 1000	(Capitalisation)	

	1.8.79 High	31.7.80 Low	1.8.77 High	31.7.80 Low
Rentinvest	LuxFr 859	LuxFr 742	LuxFr 918	LuxFr 742
Capital Rentinvest	LuxFr 1427	LuxFr 1321	LuxFr 1430	LuxFr 1256

WestLB Euro-Deutschmarkbond Quotations (Continued)

Issue	Middle Price	Current Yield	Yield to Maturity*	Life*	Repayment D-mandatory-drawing by lot at par S-sinking fund P-purchase fund
9% Svenska Taendst. 75/85	102.00	8.82	8.05	2.51	1. 3.80—85S
6¾% Sveriges Inv. Bk. 72/87	97.25	6.94	7.28	6.58	1. 3.78—87S
7% Sveriges Inv. Bk. 73/88	97.25	7.20	7.48	7.58	1. 3.78—88S
8½% Sveriges Inv. Bk. 75/83	101.00	8.42	7.86	1.81	1. 6.80—83S
6½% Sweden 77/84	96.75	6.72	7.51	3.75	1. 5.84
6% Sweden 77/89	91.25	6.58	7.32	9.33	1.12.83—89S
7¾% Sweden 79/89	100.00	7.75	7.75	8.82	1. 7.89
7½% Sweden 79/89 PP	96.00	7.81	8.14	9.00	1. 8.89
8% Sweden 80/87 PP	100.50	7.96	7.88	6.54	16. 2.87
9¾% Sweden 80/87	107.75	9.05	8.18	6.67	1. 4.87
9% Sweden 80/87 PP	104.50	8.61	8.10	6.79	15. 5.87
9½% Tauernautobahn 74/81 (G)	100.55	9.45	8.81	0.82	1. 7.81
9% Tauernautobahn 75/82 PP (G)	100.25	8.98	8.76	1.58	1. 3.82
9% Tauernautobahn 75/83 PP (G)	100.25	8.98	8.85	2.58	1. 3.83
5½% Tauernautobahn 78/93 (G)	82.75	6.65	7.67	12.67	1. 4.84—93S
7% Tauernkraftwerke 68/83 (G)	99.25	7.05	7.69	1.48	1. 2.74—83D
6½% Tauernkraftwerke 68/83 (G)	99.25	6.55	6.89	3.08	1. 9.74—83S
8% Tenpfinco 73/93	98.00	8.16	8.25	13.25	1.11.82—93S
9½% Tenpfinco 75/82 PP	101.00	9.41	8.73	1.58	1. 3.82
6¼% Thailand 78/83 PP	90.00	6.94	10.73	2.67	1. 4.83
8½% Thyssen Car. Fin. 75/82 PP	100.25	8.48	8.28	1.67	1. 4.82
8¼% Thyssen Car. Fin. 75/82 PP	100.00	8.25	8.24	1.82	1. 7.82
6½% Thyssen Inv. 66/81	99.50	6.53	7.31	0.58	1. 3.72—81D
7¼% Tokyo El. Power 69/84	98.50	7.36	8.14	2.26	1.12.75—84D
6½% Tokyo El. Power 79/85	96.25	6.75	7.46	4.75	1. 5.85
5½% Toyo Rubber 78/83 PP	92.50	5.95	8.28	3.17	1.10.83
6½% Traf. House Fin. 72/87	94.75	6.86	7.47	7.17	1.10.78—87S
6% Trinidad & Tobago 78/83	92.25	6.50	9.39	2.67	1. 4.83
6¾% Trondheim 68/83	98.00	6.89	7.57	3.33	1.12.72—83S
5¾% Trondheim 78/88	88.25	6.52	8.10	6.64	1. 4.86—88D
7½% T R W Int. Fin. 69/84	99.25	7.56	7.86	4.17	1.10.75—84S
6% T V O Power 78/88 (G)	89.00	6.74	8.00	7.50	1. 2.84—88S
5¾% UDS Group 78/83	92.50	6.22	8.62	3.08	1. 9.83
9¾% Unilever 74/81 PP	102.50	9.51	7.64	1.33	1.12.81
8½% Unilever 75/87	101.90	8.34	7.92	4.08	1. 5.81—87S
6½% Union Bank Finland 78/88	91.00	7.14	8.01	8.37	16.12.84—88S
5¾% Uniroyal 78/84 PP	82.00	7.01	11.63	4.00	1. 8.84
6¾% Unit. Arab. Emirates 77/82 PP	97.00	6.96	8.64	1.75	30. 4.82
7% Venezuela 68/83	97.50	7.18	8.06	3.17	1.10.74—83S
6% Venezuela 78/88	84.60	7.09	8.86	7.58	1. 3.84—88S
6½% Venezuela 78/90	84.00	7.74	8.94	10.25	1.11.85—90S
7% Vienna 68/83	102.00	6.86	5.90	1.81	1. 6.74—83S
8¼% Vienna 75/84	101.75	8.11	7.44	2.46	1. 8.79—84D
5¾% Vienna 77/84 PP	92.50	6.22	7.83	4.37	15.12.84
8½% Voest-Alpine 73/88	101.50	8.37	8.09	4.65	1.10.79—88S
8½% Voest-Alpine 75/85	101.35	8.39	7.92	2.76	1. 6.81—85D
6¾% Voest-Alpine 77/89	93.00	7.26	8.22	6.22	1. 6.84—89D
6½% Wells-Fargo ex w. 73/88	94.00	6.91	7.49	8.25	1.11.79—88S
8¾% Westland-Utrecht 80/85 PP	102.25	8.56	8.12	4.58	1. 3.85
5½% Worldbank 65/85	99.00	5.56	5.83	4.67	1. 4.71—85S
6½% Worldbank 68/84 PP	97.00	6.70	8.25	1.87	2. 1.77—84D
6½% Worldbank 69/84	97.65	6.66	7.78	2.29	1. 6.75—84D
6½% Worldbank 69/84 PP	97.00	6.70	8.25	1.87	2. 1.77—84D
6% Worldbank 69/84 PP	96.25	6.23	7.97	2.12	1. 4.77—84D
8% Worldbank 70/86	101.25	7.90	7.46	2.81	1. 1.77—86D
7½% Worldbank 71/86 I	100.00	7.50	7.49	3.23	1. 6.77—86D
7½% Worldbank 71/86 II	99.25	7.56	7.75	3.18	1.12.77—86D
6½% Worldbank 72/82	98.40	6.61	7.42	1.92	1. 7.82
6¾% Worldbank 72/87	96.25	7.01	8.02	3.43	1. 3.78—87D
6¾% Worldbank 73/83	97.85	6.90	7.70	2.50	1. 2.83
6⅜% Worldbank 73/88	94.25	6.76	8.08	4.05	1. 5.79—88D
8¼% Worldbank 75/82 PP	100.00	8.25	8.22	1.83	1. 6.82
8% Worldbank 75/82	100.75	7.94	7.61	2.33	1.12.82
8¼% Worldbank 75/83	102.25	8.07	7.36	2.92	1. 7.83
8% Worldbank 76/82 PP	100.00	8.00	8.00	2.00	1. 8.82
7¾% Worldbank 76/82 PP	99.00	7.83	8.25	2.17	1.10.82
7½% Worldbank 76/83	99.70	7.52	7.60	2.75	1. 5.83
7¾% Worldbank 76/83	100.85	7.68	7.42	3.17	1.10.83
6¾% Worldbank 76/83 PP	96.00	7.03	8.15	3.33	1.12.83
8% Worldbank 76/84	100.75	7.94	7.72	3.50	1. 2.84
5½% Worldbank 77/82 PP	94.00	5.85	8.70	2.12	15. 9.82
7% Worldbank 77/85 PP	96.00	7.29	8.06	4.58	1. 3.85
6½% Worldbank 77/85 PP	93.50	6.95	8.19	4.75	1. 5.85
6% Worldbank 77/85	94.00	6.38	7.45	5.12	15. 9.85
7% Worldbank 77/87	96.75	7.24	7.65	6.42	1. 1.87
6½% Worldbank 77/87	94.15	6.90	7.63	6.75	1. 5.87
5¾% Worldbank 78/84	94.00	6.12	7.54	4.00	1. 8.84
6% Worldbank 78/88	89.10	6.73	7.89	8.00	1. 8.88
6¼% Worldbank 78/88	90.00	6.94	7.93	8.33	1.12.88
5¾% Worldbank 78/90	86.80	6.62	8.05	7.95	1. 2.87—90D
7% Worldbank 79/85 PP	96.75	7.24	7.81	5.00	1. 8.85
7⅛% Worldbank 79/87 PP	95.75	7.44	7.94	7.00	1. 8.87
7¾% Worldbank 79/91	99.35	7.80	7.84	10.92	1. 7.91
10% Worldbank 80/86	109.75	9.11	7.81	5.75	1. 5.86
8½% Worldbank 80/88 PP	102.25	8.31	8.09	7.83	1. 6.88
9% Worldbank 80/88 PP	104.50	8.61	8.18	7.75	1. 5.88
7⅞% Worldbank 80/90	99.80	7.89	7.89	9.42	1. 1.90
7⅞% Worldbank 80/90 II PP	99.25	7.93	7.98	9.42	1. 1.90
10% Worldbank 80/90	112.75	8.87	8.05	9.75	1. 5.90
8% Worldbank 80/90	100.75	7.94	7.89	10.00	1. 8.90
6¾% Yokohama 68/83 (G)	99.50	6.78	7.05	3.08	1. 9.72—83S
7% Yokohama 69/84 (G)	99.50	7.04	7.26	4.16	30. 9.73—84S
8% Yokohama 71/86 (G)	100.75	7.94	7.71	3.04	1. 8.77—86S
8% Yugosl. Inv. Bank 77/84 PP	97.50	8.21	8.69	4.37	15.12.79—84S

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

MARKET MAKERS

REGION 1 - BELGIUM

Dewaay, Sebille, Servais
Van Campenhout & Cie
Kredietbank N.V.

REGION 2 - FRANCE

Banque Arabe et Internationale d'Investissement (B.A.I.I.)
Banque de l'Union Européenne
Banque Nationale de Paris
Credit Commercial de France Paris
Credit Lyonnais
Interunion-Banque
Smith Barney Harris, Upham & Co. Inc.

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Commerzbank AG
Deutsche Bank AG
Dresdner Bank AG
Westdeutsche Landesbank Girozentrale
Creditanstalt Bankverein
Girozentrale und Bank de österreichischen Sparkassen AG

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Banco Ambrosiano S.p.A.
Banco di Roma
Credito Italiano
Istituto Bancario Italiano
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Banque International à Luxembourg S.A.
Bayerische Landesbank International S.A.
Dewaay Luxembourg S.A.
Kredietbank S.A. Luxembourgeoise
Swiss Bank Corporation (Luxembourg)

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Algemene Bank Nederland N.V.
Amsterdam-Rotterdam Bank N.V.
Barclays Kol & Co. N.V.
Centrale Rabobank Utrecht
Bank Van der Hoop, Offers N.V.
Bank Morgan Labouchere N.V.
F. van Lanschot
Nederlandsche Middenstandsbank N.V.
Nederlandse Credietbank N.V.
Pierson, Heldring & Pierson
Slavenburg, Oyens & Van Eeghen N.V.

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Bank of Helsinki Ltd. (Helsingfors Aktiebank)
Bergen Bank
Den norske Creditbank
Den Danske Bank of 1871 Aktieselskab
R. Henriques jr. Bank-Aktieselskab
Kansallis-Osake-Pankki
Kjöbenhavns Handelsbank
Postipankki
Privatbanken Aktieselskab
Skandinaviska Enskilda Banken
Skopbank
Union Bank of Finland (Nordiska Föreningsbanken AB)

REGION 8 - SWITZERLAND

Bondpartners S.A.
Credit Suisse/Swiss Credit Bank
Swiss Bank Corporation
Union Bank of Switzerland

REGION 9 - UNITED KINGDOM

Akroyd & Smithers Limited
Amex Bank Ltd.
Bank of America International Ltd.
Bankers Trust International Limited
Bondtrade
Chase Manhattan Ltd.
Chemical Bank International Ltd.
Citicorp International Bank Limited
Continental Illinois Limited
Credit Suisse First Boston Ltd.
Dawa Europe N.V.
Deltec Trading Company Limited
Credit Commercial de France (Securities) Ltd.
Cresvale International
Dillon, Read Overseas Corporation
Dominion Securities Limited
European Banking Company Ltd.
First Chicago Limited
Goldman Sachs International Corp.
Hambros Bank Limited
IBJ International Limited
Kidder Peabody Securities Limited
Loeb, Rhoades, Shearson International Ltd.
London & Continental Bankers Ltd.
Kuhn, Loeb Lehman Brothers International
Manufacturers Hanover Limited
McLeod, Young, Weir International Limited
Merrill Lynch, Pierce, Fenner and Smith (Brokers & Dealers) Ltd.
Morgan Stanley International
National Bank of Abu Dhabi
Nesbit, Thomson Limited
New Japan Securities Europe Ltd.
The Nikko Securities Co. (Europe) Ltd.
Nomura Europe N.V.
Orion Bank Limited
Pinchin, Denny & Co.
Ross & Partners
Salomon Brothers International Ltd.
Samuel Montagu & Co. Ltd.
Scandinavian Bank Limited
Strauss, Turnbull & Co.
Sumitomo Finance International
Vickers, da Costa & Co. Ltd.
S. G. Warburg & Co. Ltd.
Wedd Durlacher Mordaunt and Co.
Westdeutsche Landesbank Girozentrale
White Weld Securities
Wood Gundy Ltd.
Yamaichi International (Europe) Ltd.

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Arnhold and S. Bleichroeder Inc.
Bear Stearns & Co.
Drexel Burnham Lambert Inc.
Kidder, Peabody & Co. Inc.
Lehman Bros. Kuhn, Loeb Inc.
Lazard Freres & Co.
Merrill Lynch, Pierce Fenner Smith Inc.
Salomon Brothers
Atlantic Capital Corporation

REGION 11 - MIDDLE EAST

The Arab Co. for Trading Securities S.A.K.

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AIBD

EXPLANATORY NOTES AND ABBREVIATIONS

SPECIAL REFERENCES

1. General—attached to name of borrower

D = Domestic Management Group
L = Bondholders option to redeem loan prior to maturity or to extend maturity
P = Private or semi-private placement
MC = Principal/Interest payable in more than two currencies
W = Withholding taxes (with percentage rate %)
WW = With warrants
XW = Ex warrants

2. £/DM issues

The figures shown are the fixed £/DM parities which prevail over the lives of the issues.

3. Floating rate issues

The figures given are the minimum coupon rate:
% margin above LIBOR.

4. Attached to maturity description

S = Semi-annual payments
Q = Quarterly payments

5. Convertible issues

The share price is always denominated in the same currency as the conversion price. Please note that where the premium exceeds 200% no fig. is shown in *premium/discount* column.

The following convertible bonds are subject to convertibility into the indicated stocks.

NAME OF BOND			CONVERTIBLE INTO
American Tobacco Int.	5¾	1988	American Brands Inc.
Asia Navigation Int.	6½	1989	East Asia Navigation Co.
Bankers Int. (Lux.)	5	1986	Bankers Trust New York
Broadway—Hale Stores	4¾	1987	Carter Hawley Hale
Burmah Oil	5½	1988	Shell Transport & Trading
Chevron Oil O/S	5	1988	Standard Oil of California
Dart Industries	4¾	1987	Minnesota Mining & Manufacturing
Inter-Continental Hotels	7	1986	Pan-Am World Airways
Int. Standard Elec.	*5*	*1988*	*International Tel & Tel*
Int. Standard Elec.	5¼	1988	International Tel & Tel
Int. Standard Elec	6¼	1989	International Tel & Tel
ISE Finance Holding	4½	1986	International Tel & Tel
Leasco Int.	5	1989	International Tel & Tel
Levin-Townsend Int. Fin.	5	1988	Rockwood Computer
Norwich OS	4¾	1983	Morton-Norwich Products
Owens-Illinois	4½	1987	Owens-Corning Fibreglass
Plywood Champion Int.	5½	1983	Champion Int.

The following International convertible issues have fixed rates of currency conversion

COUNTRY	ISSUE/COUPON/MATURITY			EXCHANGE RATE	
DENMARK	Novo Industri	7	1989	D.Kr.5.344	= $1
FRANCE	Michelin Int. Dev.	6	1985	F.Fr.5.554	= $1
HONG KONG	Asia Navigation Int.	6½	1989	$HK5.07	= $1
ISRAEL	Leumi Int. Inv.	7	1984	£I 10.1026	= $1
JAPAN	Asahi Chemical	6¾	1990	Yen 303.0	= $1
	Asahi Optical	6	1992	Yen 282.0	= $1
	Asahi Optical	7	1994	Yen 222.13	= $1
	Asics	5¾	1993	Yen 216.0	= $1
	Canon Inc.	6¾	1994	Yen 216.45	= $1
	Dai Nippon Printing	6¾	1986	Yen 360.0	= $1
	Daiei Inc.	6	1991	Yen 300.0	= $1
	Daiei Inc.	6½	1994	Yen 224.3	= $1
	Daiwa House Ind.	7¾	1991	Yen 301.0	= $1
	Hitachi Ltd.	6¾	1984	Yen 360.0	= $1
	Hokushin Electric	6¾	1992	Yen 248.0	= $1
	Honda	5½	1989	Yen 201.60	= $1
	Ito-Kokado	5¾	1993	Yen 213.5	= $1
	Ito-Kokado	6	1992	Yen 272.0	= $1
	Jusco	6	1992	Yen 227.4	= $1
	Kao Soap	6	1992	Yen 286.0	= $1
	Komatsu Manf.	6¾	1984	Yen 360.0	= $1
	Komatsu Ltd.	7¾	1990	Yen 294.2	= $1
	Kubota	6¾	1991	Yen 303.0	= $1
	Marui	6½	1991	Yen 299.0	= $1
	Matsushita Elec.	6¾	1990	Yen 303.0	= $1
	Meidensha	11	1994	Yen 223.82	= $1
	Mitsubishi Elec.	*7*	*1985*	*Yen 360.0*	= $1
	Mitsubishi Gas Chem.	6	1992	Yen 272.0	= $1
	Mitsubishi Heavy Ind.	6½	1991	Yen 305.55	= $1
	Mitsubishi Corp.	6	1992	Yen 267.0	= $1
	Mitsubishi Corp.	7½	1990	Yen 293.0	= $1
	Mitsubishi Corp.	6¾	1991	Yen 301.0	= $1
	Mitsubishi Corp.	7¾	1994	Yen 224.74	= $1
	Mitsui & Co.	7½	1990	Yen 298.0	= $1
	Mitsui & Co.	8¾	1989	Yen 299.0	= $1
	Mitsui Real Estate	6	1992	Yen 267.8	= $1
	Nippon Seiko	7¾	1994	Yen 224.48	= $1
	Nitto Elec. Ind.	6	1992	Yen 264.13	= $1
	Nitto Elec.	6	1994	Yen 219.64	= $1
	Ricoh	*6¾*	*1991*	*Yen 295.0*	= $1
	Sanyo Electric	6¾	1991	Yen 293.55	= $1
	Sanyo Electric	7½	1990	Yen 302.17	= $1
	Settsu Paperboard	6¾	1992	Yen 243.0	= $1
	Sumitomo Elec.	6	1992	Yen 267.0	= $1
	Sumitomo Metal	6	1992	Yen 287.5	= $1
	Takeda Chemical	6	1984	Yen 360.0	= $1
	Takuni Dept. Store	6	1992	Yen 286.0	= $1
	Toshiba	6¾	1992	Yen 254.0	= $1
	Toshiba	6¾	1990	Yen 295.8	= $1
	Toshiba	7¾	1994	Yen 226.45	= $1
NETHERLANDS	Ennia	7¾	1992	D.Fl.2.4665	= $1
	All other issues			D.Fl.3.60	= $1
SINGAPORE	Dev. Bank of Singapore	6½	1991	S$2.44	= $1
	United Overseas Bank	6½	1988	S$2.32	= $1
SOUTH AFRICA	Rand Selection Corp.	6½	1986	RD0.7143	= $1
SWEDEN	Aga	7¾	1989	SwKr4.31125	= $1
	Essette	7¾	1989	SwKr4.35875	= $1
	Sandvik	6¾	1988	SwKr4.7825	= $1
UK	Babcock Nederland	7	1991	£0.574	= $1
	Beecham Fin.	6¾	1992	£0.574	= $1
	Boots	6¾	1993	£0.529	= $1
	Burmah Oil	*5½*	*1988*	£0.417	= $1
	Burton B.V.	5¾	1982	FFr.11.88225	= $14
	Compair (UK)	8½	1987	£0.582	= $1
	ICI Int. Fin.	6¾	1997	£0.574	= $1
	Inchcape (Bermuda)	6¾	1992	£0.582	= $1
	Rank Organisation	4¾	1993	£0.425	= $1
	Slater Walker	5¾	1987	£0.385	= $1
	Thorn Int. Fin.	7	1988	£0.530	= $1

Union Bank of Switzerland (Lux.) 5% 1981 differs from other convertibles in that the bonds are denominated US$1350 and each bond is convertible into 1 Bearer share of S.Fr.500 nominal value of UBS.

Credit Suisse (Bahamas) 4¾ 1991 differs from other convertibles in that the bond is denominated US$1000 and each bond is convertible into 1 Bearer Share of S.Fr.500 nominal value of Credit Suisse.

The following convertible issues have conversion rights which expire prior to maturity.

NAME OF BOND		MATURITY	CONVERSION RIGHTS EXPIRE
Asahi Chemical	6¾	30/9/1990	15/9/1990
Dai Nippon Ptg.	6¾	31/5/1986	30/4/1986
Hitachi	6¾	30/9/1984	31/8/1984
Mitsubishi Elec.	7	31/3/1985	28/2/1985
Rand Selection	6½	1/3/1986	31/1/1986
Takeda Chem.	6	31/3/1984	28/2/1984
Toshiba	6¾	30/9/1990	15/9/1990

6. Denomination of non-dollar bonds

Euro-guilders — all denominated	Fl: 10,000
French Francs — all denominated with the exception of	FFr. 5,000
Aerospatiale	FFr. 10,000
European Coal & Steel 7% 1990	FFr. 10,000
European Coal & Steel 7½% 1991	FFr. 10,000
Francaise de Petroles — BP	FFr. 10,000
Philips Lamps 10¾% 1980	FFr. 50,000
Roussel — Uclaf	FFr. 10,000
SOPAD	FFr. 50,000
STERLING-DEUTSCHE MARKS	
Enso Gutzeit 6½% 1980	£100; £500
ICI 8% 1986	£500
Ireland 7% 1981	£500; £600
Ireland 7% 1988	£500
Met. Estates 6¾% 1987	£500
New Zealand 6¾% 1982	£90; £450
Rothmans Int. 6¾% 1992	£500
Sira Kvina 7¾% 1983	£100; £500
Turin 6½% 1984	£100; £500
US Rubber 6% 1989	£100; £500

7. Yield calculations

All yields are calculated on annual rates e.g. a 10% bond standing at par, paying interest once p.a. will have a current and maturity yield of 10%. A 10% bond paying semi-annually would yield 10.25%. Market practice demands that the current yield on $ floating rate bonds is calculated as coupon/price.

8.

These securities have not been registered under the Securities Act of 1933 and may not be offered or sold directly or indirectly in the United States, its territories or possessions, or to nationals or residents thereof.

The information is from reports from official and other sources which we consider reliable, but adequate means of checking its accuracy are not available and we do not guarantee that the information contained herein is accurate or complete.

9. Other notes

The amounts shown as *remaining outstanding* are estimated by applying the scheduled sinking fund instalments. These are further adjusted where a non-cumulative option to double sinking fund payments has been exercised.

Yields are calculated in accordance with Rule 803 of Statutes, By-Laws, Rules and Recommendations of the AIBD using compound interest throughout. *Negative yields are not shown.*

The maturity, average life and first call yields are adjusted to a 360 day annual rate.

Yield to next call is shown on the basis that the borrower gives notice that he wishes to call the bond as soon as possible after the date of publication of this list.

Unit of account bonds

The new units of account formula applies to issues from 1973 onwards and the old formula to issues in or prior to 1972.

All payments of interest and capital of EUA bonds are made on the basis of the strongest reference currency, which means that the bondholder receives the equivalent in his own currency of the EUA/strongest reference currency parity prevailing at the time of payment. The EUA can thus at any given time be identified with the strongest reference currency. For convenience sake, however, bonds are quoted on the secondary market on the basis of the EUA/DM parity prevailing at the time of quotation. In order to be correct, yields for EUA bonds should be calculated on the basis of the strongest reference currency. For this purpose the price in DM is converted into the price in the strongest reference currency, taking into account the premium (if any) of the strongest reference currency against the DM. It is on the thus reduced price that the yield calculations are made.

COMMODITIES AND AGRICULTURE

Increase in Indian jute crop forecast

NEW DELHI — India's raw jute output from the July-June 1979-1980 crop is estimated at about 8m bales, up from 6.45m bales the previous season, Mr. Pranab Mukherjee, Commerce Minister, said yesterday.

He told a parliamentary committee that, with a carryover stock of 2.5m bales, total domestic availability this year is expected to be well over 10m bales.

Domestic consumption in 1980-81 is estimated at about 8.1m bales, leaving a sizeable surplus to be carried forward next year, he said.

Mr. Muherjee said the State Trading Corporation has been asked to help the Jute Corporation of India (JCI) find foreign markets for the huge stocks.

He said he hoped India would be able to reduce its stocks despite a glut in world markets.

The Indian Jute Mills Association has been asked to take 3.9m bales from the primary markets between September and December to help growers get a remunerative price.

Th JCI had also been asked to buy raw jute to ensure that the growers got the minimum support prices, he said.

Reuter

Coffee record

NEW DELHI — India produced a record 150,000 tonnes of coffee in the 1979-80 season, July-June, up from 110,000 in the previous season, the United Planters' Association of South India (UPASI) said here, reports Reuter.

The output consisted of 76,000 tonnes of Arabica and 74,000 tonnes of robusta against 64,500 and 45,500 respectively in the previous season.

The association said exports during the 1979-80 financial year (April-March), totalled 61,954 tonnes worth Rs 1.79bn compared with 66,216 tonnes worth Rs 1.57bn in 1978-79.

In London, coffee futures prices fell sharply, reversing last week's strong gains. The November position ended £38 down at £1,225.5 a tonne.

Dealers said there was no fundamental news to explain the fall. They saw it as a continued reaction to the warmer weather in Brazil which has erased frost fears which loomed late last month.

Slimmer fishing fleet 'is key to industry's future'

BY RICHARD MOONEY

THE GOVERNMENT should lose no time in undertaking a major restructuring plan to build a British fishing fleet that is better suited to the fishing opportunities likely to be available in the foreseeable future, Mr. Charles Meek, chairman of the White Fish Authority, said in London yesterday.

He said Fisheries Ministers should be congratulated on extracting the £14m cash aid announced last week from the Government.

This was very welcome but it would do nothing to tackle the basic problems of the industry. "Something more fundamental is needed," he declared.

Introducing the WFA annual report, Mr. Meek reported the same set of adverse circumstances as in previous years.

Uncertainty about the EEC fisheries framework was still bedevilling the industry, overfishing was still threatening the country's remaining fish stocks, there was still too much catching capacity in the UK fleet, and the number of company-owned vessels was still declining.

The only change was that he was now unable to point out, as he had previously, that "amid all these adverse circumstances skipper-owned vessels continued to do exceedingly well."

He said British fish markets were in "disastrous shape" and fishermen were issuing a very genuine cry of pain.

Landings by British vessels fell 12 per cent in volume last year and their actual value (excluding shellfish) fell 1 per cent.

The real value of the Britsih fish catch had been falling for some time but this was the first time since the war that its actual value had fallen, Mr. Meek said.

He thought the best way to improve catchers' returns was to reduce unit costs by increasing the catch rate per vessel. This would need a "much slimmer" fishing fleet, however.

The Government could be working towards this now by offering incentives for owners to de-commission vessels. He understood Ministers' reluctance to begin this process before an EEC common fisheries policy was agreed because Common Market funds would then become available to help with the cost.

"This is a respectable argument," the WFA chairman said, "but it is not one I myself happen to accept."

The EEC aid would not be "a great deal of money," Mr. Meek said. He thought Britain might get about a quarter of the £212m available for restructuring Common Market fishing fleets—this compared with a £321m five-year plan for the British fleet alone proposed to the Government by the WFA.

He would be "surprised" if any of the recently announced £14m cash injection was used to encourage de-commissioning.

Restricted fishing opportunities, high fuel and interest costs and the "near-collapse" of quayside prices were the main problems for the British fishing industry, Mr. Meek said.

The last had been caused largely by cheap imports, partly due to the strength of sterling.

The "flood" of imports which pushed prices down in the first quarter of this year had abated, he said, but prices had not recovered. Cod was still fetching £18 a otnne less than it was a year ago.

It was not true to say consumers were not feeling the benefits of the depressed prices received by fisherman. While the retail price index was rising 21 per cent annually prime white fish was only about 4 per cent dearer than a year ago.

Quayside prices might be cheap but the fish trade was paying much more for labour, rent and rates and transport, Mr. Meek noted. "Housewives are getting a very good deal from the trade."

French accused of apple scare

By Our Commodities Staff

FRENCH APPLE exporters were accused of "scare-mongering" yesterday by a British farmers' leader.

Mr. Dan Neuteboom, chairman of the National Farmers' Union's apple and pear committee, said a warning by the French last week that apples could cost £1 a pound in Britain if British growers are successful in their bid for protection against French imports was "manifestly absurd." He charged them with trying to mislead the public.

"I could make similar forecasts as to horrific prices if we allow them to kill off the English apple industry, and our customers find themselves at the mercy of the French," Mr. Neuteboom declared.

The French plan to send some 230,000 tonnes of apples, mostly Golden Delicious, to Britain this season, about the same as last year.

British growers have accused them of unfair competition because of alleged direct producer subsidies, transportation aids and subsidised promotion campaigns in Britain.

U.S.-Soviet grain talks

PARIS — U.S. and Soviet officials met behind closed doors here last Friday to review their grain supply agreement, which is entering its fifth and final year.

It was the first contact between agricultural officials of the two countries since President Jimmy Carter ordered an embargo on U.S. wheat shipped to the Soviet Union in January in protest at the Russian invasion of Afghanistan.

The embargo does not affect the agreement under which the Soviet Union can purchase 6m to 8m tons of wheat and other grains annually. This agreement expires on September 30, 1981.

It is thought likely the two sides will try to feel out each other's positions regarding further purchases and whether to extend the accord when it expires.

AP—Dow Jones

SOFTWOOD MARKET

World recession beginning to bite

BY A CORRESPONDENT

AFTER A reasonable level of trading in the first quarter of this year, recession has now hit the UK softwood importers in April and there is some doubt in the trade whether the forecast consumption of 6.5m cubic metres will be attained this year.

Consumption at the end of the first quarter stood at 1.6m cubic metres, nearly 200,000 cubic metres up on the same period last year which was hit by bad weather and the lorry drivers' strike.

Since these figures were issued there has been a hiatus in the processing of stock statistics from individual firms on which the consumption figures are based.

The Department of Industry has told the trade that in future it will have to take over this responsibility. For the moment reliance has to be placed on the trade grapevine for consumption in April, May and June and the picture which emerges is unanimously gloomy.

New contracts

Although its sales are in the doldrums, overall the trade is not overbought. New contracts placed with supplying countries in the first quarter of the year were nearly 500,000 cubic metres down on last year and arrivals to the end of May also showed a drop.

Strikes in both Sweden and Finland were partly the cause of the low May figure which has led to a spate of arrivals in the last two months, coinciding with early Russian arrivals.

This may have added to the gloom. For an importing trade, there is nothing more depressing than seeing cargoes piling up in the yards when the reselling market is weak.

Together Sweden, Finland, Canada and Russia supply about 80 per cent of our softwood imports. But so far as the market for the rest of this year is concerned, the Russians can be placed to one side. Exportles, the state selling organisation, completed this year's sales to the UK last March.

It remains now for the bulk of this wood to be shipped and paid for in what may prove to be difficult circumstances for both sides—a recession can act rather like sand in the bearings of commercial relationships.

The Swedes and Finns are confident. They say they already have contracts for about 90 per cent of their export availability for this year.

But when they come to sell the other 10 per cent in September they may find that as far the UK is concerned no more wood will be needed this year.

Nor will much comfort be found in their other European markets — in France, Holland and West Germany—where softwood sales are being reduced.

Looking further afield, the Scandinavians have done well in the past three years in what they term their "other markets" in North Africa and the Middle East. But there are reports that Egypt is overstocked and that some Middle East countries have been a little too enthusiastic in their buying.

So Swedish and Finnish mills may have to take into stock some of their end-of-year production. But before they do this, invidiual mills will take a long, hard look at 1981. If they see a continuation of the world recession and falling prices, some may be tempted to encourage sales at lower prices at the end of this year.

In the past three months, Canadian softwood prices have fallen between 15 and 20 per cent. In the U.S. the worst of the sales slump is thought to be over. This may take some of the pressure off the Canadians, who sell most of their export wood to the U.S.

If the softwood market is still growing in the last quarter of this year, it is likely the Russian offers for 1981 will be delayed for as long as possible. Russian availability this year was some 20 per cent down on 1979 with bad weather and floods being blamed. The same "natural causes" have not applied to this years' production, but it is thought Russian exports will not rise very much.

Interest rates

High interest rates have led to intense competition on the reselling market in the ULC. Although the recent 1 per cent reduction in Minimum Lending Rate was welcomed as a portent of more to come, the cost of financing stock in this depression remains way above what it was in 1975.

A lot of wood is being offered through the brokers on the internal market which is always a sign of financial strain.

As far as forward buying is concerned, importers are content to sit back with folded arms for the present. But there should be a fine battle of wits and wills in the autumn.

Fall in gold hits base metals

BY OUR COMMODITIES STAFF

THE FALL in gold yesterday pushed base metal prices lower on the London Metal Exchange. But the falls, which were also encouraged by bigger-than-expected stocks figures as at the end of last week, were pared back in the afternoon when U.S. buying encouraged a modest recovery.

A 3,850 tonnes rise in London Metal Exchange warehouse stocks of copper was well above most dealers' expectations but with the figure already standing at 111,275 tonnes their response was fairly muted.

Nevertheless the cast wirebars price ended the day £11.25 down at £894.5 a tonne.

The 7,550 tonnes rise in lead stocks to 47,400 tonnes also took dealers by surprise but U.S. buying in the afternoon limited its impact.

By the close cash lead was quoted at £361.5 a tonne, up £5 from Friday's close.

Stocks of tin rose 40 tonnes to 2,860 tonnes while zinc stocks fell 250 tonnes to 58,325 tonnes.

Meanwhile, the International Lead and Zinc Study Group said "non-socialist" world mine production of lead in the first half of 1980 was 1.3m tonnes, 1.5 per cent higher than in the same period last year.

But refined lead production was 6.1 per cent down at 2.02m tonnes. In the first five months of the year consumption of refined lead totalled 1.54m tonnes, a fall of 10.9 per cent on the same 1979 period.

Mine production of zinc fell during the first half of 1980 by 3.9 per cent below the 1979 level to 2.23m tonnes, including output during June of 357,000 tonnes.

Production of slab zinc in June totalled 362,000 tonnes, the lowest monthly output since September 1979.

For the first half of the year, the output of 2.23m tonnes was 7.8 per cent or 188,000 tonnes below the 1979 level.

Consumption of slab zinc in May was 384,000 tonnes, giving a total for the first five months of the year of 1.98m tonnes, 1.7 per cent below the same 1979 period.

Hungary on flood alert

VIENNA — More than 48,000 hectares of farm land were under water in the flooded Tisza valley of eastern Hungary, the official MTI news agency reported yesterday. A flood alert was being observed

Reuter

Thais deny sugar imports

BANGKOK—Reports that Thailand would import sugar to ease the shortage in the domestic market were denied here yesterday.

Mr. Pairoj Chaiyaporn, the deputy Commerce Minister, said the Government had no policy to import sugar because current stocks were adequate for local needs.

Reports had been circulating in the sugar market here that Thailand would import sugar from China and the Philippines.

Early this week, the Government imposed a temporary ban on the export of raw sugar because of worsening domestic supply.

This is the second ban on sugar exports this year, the first, in the middle of May, lasted for about two months.

Local traders said they were not convinced by Mr. Pairoj's denial of import plans.

Reuter

Loan to boost coconut output

JAKARTA — The World Bank has made a $46m loan to Indonesia to help increase coconut production.

The 20-year loan will help fund a $95.2m project to plant and rehabilitate nearly 80,000 hectares in Sulawesi, Sumatra and the Molucca.

Reuter

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Lower again on the London Metal Exchange following the sharp decline in gold and also reflecting a slightly larger than forecast rise in stocks. After opening at £922 and edging up to £925 on the pre-market forward metal encountered heavy hedge selling and short selling which depressed the price to £915. The market came under further pressure in the early afternoon as a weak opening on Comex prompted sizeable stop-loss selling in New York which carried through to London with three months slipping to £910 at one stage. However, a rally on Comex encouraged short covering in London and forward metal recovered marginally to end the late Kerb at £913, after £915. Turnover: 38,550 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	894.5-5.5	-8.5	894-5	-11½
3 months	915-6	-8.75	914-5	-8.75
Settlem't	895.5	-6.5	—	
Cathodes				
Cash	862-3	-5.75	864-7	-6
3 months	888-90	-5.5	889-91	-8.5
Settlem't	863	-3.5	—	......
U.S. Prod.		......	*100-108	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £920, 19, 19.5, 19, 18 17, 16, 16.5, 16, 15.5. Cathodes, cash £863. Kerb: Wirebars, three months £915, 14, 13, 15. Afternoon: Wirebars, three months £912, 13, 13.5, 14, 13.5, 13, 12, 13 13.5, 15. Kerb: Wirebars, three months £914, 15, 14, 13, 12, 13.

TIN—Easier following a fall in the Penang market over the weekend and also reflecting the downturn in gold prices and a rise in stocks. Forward metal opened in the Rings at £7,140 but quickly fell back to £7,110 on stop-loss selling and short selling. This was well absorbed at the £7,110 level and the market subsequently edged higher in the afternoon to close the late Kerb at £7,120. Turnover: 2,430 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7170-5	-102	7185-90	-82.5
3 months	7110-5	-52.5	7115-20	-45.5
Settlem't	7175	-105	—	......
Standard				
Cash	7170-5	-102	7185-90	-82.5
3 months	7110-5	-52.5	7115-20	-45.5
Settlem't	7175	-105	—	......
Straits. E.	†$2180	-14	—	......
New York	—	......		

Morning: Standard, cash £7,190, 7,200, 7,180, 70, 75, three months £7 140, 30, 20, 10, 15, 10. Kerb: Standard, three months £7,110, 15. Afternoon: Standard, cash £7,185, three months £7,120, 25, 20, 15, 20. Kerb: Standard, three months £7,110, 20.

LEAD—Marginally firmer on balance. Forward metal was trading around £375—its closing price on Friday—on the early pre-market but quickly fell away to £368 in the Rings following the larger than expected rise in warehouse stocks. This level attracted fresh buying and short covering, however, and the market subsequently rallied aided by reported U.S. interest, to close the late Kerb at £375. Turnover: 7,500 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	355-6	+1.1½	361-2	+5
3 months	369-.5	+2.5	375-6	+5.5
S'ment	356	+1.5	—	
U.S. Spot	—	......	*34-6	......

Morning: Cash £356, three months £368, 69, 69.5. Kerb: Three months £369. Afternoon: Cash £361, three months £369, 70, 71, 72, 74, 75. Kerb: Three months £374, 75, 76, 75, 74.

ZINC—Barely changed overall with forward metal finally quoted on the late Kerb at £330.5, after extremes of £326 and £331. Turnover: 4,275 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	317-8	-5.62	317.5-8.5	-1.5
3 months	329-30	-5.75	330-.5	-1
S'ment	318	-5.25	—	......
Primw'ts	—	......	*35.5	......

Morning: Cash £318, 17, 18, three months £328, 27, 26.5, 27, 26, 26.5, 27, 28, 29, 30, 30.5. Kerb: Three months £329, 30. Afternoon: Three months £329, 30, 32, 31, 30. Kerb: Three months £331.

ALUMINIUM—Steady. Three months opened the day at £738 but gave ground to touch £731 in the Rings following the fall in copper and the rise in stocks. However, the market picked up in the afternoon, along with other metal prices, with forward material finally quoted on the late Kerb at £734.5. Turnover: 5,750 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	752-3	-2	758-61	+2.5
3 months	733-4	-11	735-6	-5

Morning: Cash £755, 53, three months £731, 32, 33, 34, 33. Kerb: Three months £733, 32. Afternoon: Cash £757, three months £733, 34, 36. Kerb: Three months £735, 35.5, 35, 34.5.

NICKEL—Moved narrowly between £2,910 and £2,820 prior to closing the late Kerb at £2,815. Turnover: 222 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
Spot	2790-810	-17.5	2800-10	+75
3 months	2810-20	-10	2815-25	-2.5

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

Morning: Three months £2,810. Afternoon: Three months £2,820.

BASE LENDING RATES

A.B.N. Bank	16 %	■ Hambros Bank	16 %
Allied Irish Bank	16 %	■ Hill Samuel	§16 %
American Express Bk.	16 %	C. Hoare & Co.	†16 %
Amro Bank	16 %	Hongkong & Shanghai	16 %
Henry Ansbacher	16 %	Industrial Bk. of Scot.	16½ %
A P Bank Ltd.	16 %	Keyser Ullmann	16 %
■ Arbuthnot Latham	16 %	Knowsley & Co. Ltd.	18 %
Associates Cap. Corp.	16 %	Langris Trust Ltd.	16 %
Banco de Bilbao	16 %	Lloyds Bank	16 %
Bank of Credit & Cmce.	16 %	Edward Manson & Co.	17 %
Bank of Cyprus	16 %	Midland Bank	16 %
Bank of N.S.W.	16 %	■ Samuel Montagu	16 %
Banque Belge Ltd.	16 %	■ Morgan Grenfell	16 %
Banque du Rhone et de la Tamise S.A.	16½ %	National Westminster	16 %
Barclays Bank	16 %	Norwich General Trust	16 %
Bremar Holdings Ltd.	17 %	P. S. Refson & Co.	16 %
Brit. Bank of Mid. East	16 %	Rossminster	16 %
■ Brown Shipley	16 %	Ryl. Bk. Canada (Ldn.)	16 %
Canada Perm't Trust	17 %	Schlesinger Limited	16 %
Cayzer Ltd.	16 %	E. S. Schwab	16 %
Cedar Holdings	17 %	Security Trust Co. Ltd.	17 %
■ Charterhouse Japhet	16 %	Standard Chartered	16 %
Choulartons	16 %	Trade Dev. Bank	16 %
C. E. Coates	16 %	Trustee Savings Bank	16 %
Consolidated Credits	16 %	Twentieth Century Bk.	16 %
Co-operative Bank	*16 %	United Bank of Kuwait	16 %
Corinthian Secs.	16 %	Whiteaway Laidlaw	16½ %
The Cyprus Popular Bk.	16 %	Williams & Glyn's	16 %
Duncan Lawrie	16 %	Wintrust Secs. Ltd.	16 %
Eagil Trust	16 %	Yorkshire Bank	16 %
E. T. Trust Limited	15½ %		
First Nat. Fin. Corp.	19 %		
First Nat. Secs. Ltd.	19 %		
Robert Fraser	18 %		
Antony Gibbs	16 %		
Greyhound Guaranty	16 %		
Grindlays Bank	‡16 %		
Guinness Mahon	16 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 14%. 1-month deposits 14¼%.
† 7-day deposits on sums of £10,000 and under 14%, up to £25,000 14¼% and over £25,000 14½%.
‡ Call deposits over £1,000 14%.
§ Demand deposits 14½%.

COFFEE

Despite early weakness the market found good scale down support and a level of consolidation during a featureless morning session, reports Drexel Burnham Lambert. In the afternoon volume and activity picked up, but the market continued to fluctuate nervously as the failure to penetrate recent chart objectives resulted in dealer profit taking, and November finished £38 down.

COFFEE	yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept.	1180-84	-41.5	1192-70
Nov	1225-26	-38.0	1245-11
January	1267-69	-35.0	1280-52
March	1250-55	-49.0	1270-35
May	1269-72	-35.0	1275-65
July	1280-1310	-30.0	—
Sept.	1280-1320	-39.0	—

Sales: 3,388 (4,911) lots of 5 tonnes.

ICO Indicator prices for August 8 (U.S. cents per pound). Other Mild Arabicas 135.00 (142.17). Robustas ICA 1976 132.75 (134.25). ICA 1968 133.00 (134.50). Unwashed Arabicas 207.50 (same). Comp. daily ICA 1968 157.00 (158.70).

GRAINS

LONDON GRAIN FUTURES—Wheat opened 10p up in generally thin trading. Commercial buyers held values steady to close unchanged to 25p lower on nearbys. Barley again saw good volume with some stop loss selling in September, but commercial buyers rallied values to close steady unchanged to 5p lower on the day, reports Acli.

HGCA—Locational ex-farm spot prices. Feed Barley: Eastern 86.00, E. Midlands 85.80, N. East 86.20, Scotland 89.00. The UK Monetary Coefficient for the week beginning Monday, August 18 (based on HGCA calculations using 4 days exchange rates) is expected to change to 0.971.

Mnth	WHEAT Yesterday close	+ or —	BARLEY Yesterday close	+ or —
Sept.	94.85	-0.25	90.15	......
Nov.	98.70	-0.85	94.70	......
Jan.	102.75	......	98.75	-0.05
Mar.	106.20	+0.85	102.05	......
May.	109.65	......	105.50	-0.05
July	113.15	-0.85	—	......

Business done—Wheat—Sept. 94.80-94.80, Nov. 98.85-98.60, Jan. 102.75-102.70, Mar. 106.20-106.15, May 109.65-109.55, July 113.25-113.05. Sales: 55 lots of 100 tonnes. Barley: Sept. 90.20-89.90, Nov. 94.70-94.40, Jan. 98.80-98.50, Mar. 102.05-101.90, May 105.50-105.35. Sales: 309 lots of 100 tonnes.

IMPORTED — U.S. Dark Northern Spring No. 2, 14 per cent, Sept. 99.25, Oct. 103, transhipment East Coast. U.S. Hard Winter, 13½ per cent. Aug. 96.25, Sept. 97, Oct. 99, transhipment East Coast. English Feed fob Nov. 103.25 sellers, East Coast. Maize: U.S./French Aug. 123, Sept. 124, transhipment East Coast. S. African Yellow Aug.-Sept. 80. Barley: English Feed fob Oct. 96, Nov. 97.50. Rest unquoted.

SILVER

Silver was fixed 21.95p an ounce lower for spot delivery in the London bullion market yesterday at £6.6025. U.S. equivalents of the fixing levels were: spot $15.66, down 50.2; three month $16.06, down 49.4c; six-month $16.562, down 37.8c; and 12-month $17.466, down 38.9c. The metal opened at £6.68-£6.77 ($15.85-$16.05), and closed at £6.62-£6.70 ($15.7-$15.9).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	660.25p	-21.9	660.75p	-21.2
3 months	687.35p	-21.4	687.5p	-20.5
6 months	715.35p	-17.8	—	......
12 months	761.40p	-17.8	—	......

LME—Turnover 118 (84) lots of 10,000 ozs. Morning: three months, 693, 92.5, 90, 89, 89.5, 88, 88.5. Kerbs: three months 689. Afternoon: three months 688, 89, 90, 88, 87. Kerbs: three months 688, 90, 88.5.

COCOA

Cocoa futures traded quietly throughout a dull morning until commission house and jobber short-covering caused prices to rally some £15 in the late afternoon. Both producers and consumers were inactive as physical business remained modest, reports Gill and Duffus.

COCOA	Yesterdy's Close	+ or —	Business Done
Sep	990-92	+15.5	997-974
Dec	1030-31	+14.0	1038-12
March	1074-75	+14.0	1080-55
May	1097-98	+16.0	1100-1079
July	1112-14	+12.5	1105-03
Sept.	1127-39	+11.0	1130
Dec	1150-68	+17.0	—

Sales: 1,558 (1,301) lots of 10 tonnes.

RUBBER

The London physical market opened unchanged with very little interest throughout the day, closing dull, Lewis and Peat reported. The Malayan market is closed until Thursday and Singapore until Wednesday for public holidays.

No. 1 R.S.S.	Yest'day Close	Previous Close	Business Done
Sept.	59.70-59.90	59.90-60.00	—
Oct.	60.70-61.00	61.10-61.20	—
Oct-Dec	61.80-62.00	62.10-62.20	62.30-62.00
Jan-Mar	65.50-65.60	65.70-65.80	65.90-65.50
Apr-Jne	68.60-68.70	68.70-68.80	68.90-68.80
Jly-Sept	71.40-71.50	71.50-71.60	—
Oct-Dec	73.90-74.10	74.10-74.20	—
Jan-Mar	76.60-76.70	76.70-76.90	76.50
Apl-Jne	79.20-79.40	79.40-79.50	—

Sales: 69 (328) at 15 tonnes; none at 5 tonnes.

Physical closing prices (buyer) were: Spot 58.00p (58.50p); Sept. 61.75p (same); Oct. 62.25p (same).

SOYABEAN MEAL

The London market opened slightly easier in a narrow trading, reports T. G. Roddick. Prices eased on news of further rains received in many growing areas but trading was cautious ahead of tonight's USDA's crop report.

	Yest'rday Close	+ or —	Business Done
	£ per tonne		
August	110.00-13.0	-1.75	—
October	118.80-17.0	-1.05	118.60-117.00
December	121.40-21.5	-1.15	123.00-121.50
February	123.40-23.5	-1.05	125.00-123.50
April	124.90-25.0	-0.80	125.20-125.00
June	126.00-26.5	-0.75	
August	128.50-28.5	-1.0	—

Sales: 140 (48) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £330.00 (£320.00) a tonne cif for Aug.-Sept. shipments. White sugar daily price was £335.00 (£325.00).

The market opened higher but failed to hold the best levels and settled into a narrow range in quiet conditions. Lower than expected New York values produced an easier tone although closing prices were some £2.50 above the lows of the day, reports C. Czarnikow.

No. 4 Con-tract	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
Oct.	346.50-47.00	347.00-48.00	352.00-45.00
Jan.	358.50-58.00	358.50-58.00	360.00
Mch.	358.25-58.75	358.25-59.50	364.00-56.10
May.	347.00-47.50	348.50-49.50	352.50-45.50
Aug.	329.50-30.50	330.00-31.00	334.00-21.00
Oct.	314.50-16.00	320.00-30.00	322.00-14.00
Jan.	308.00-10.00	310.00-20.00	—

Sales: 6,718 (5,598) lots of 50 tonnes.

No. 2 CONTRACT—Close (in order buyer, seller, business, sales). Aug. 324.50, 328.00, 332.00-330.00, 55; Oct. 349.00, 350.00, 355.00-348.00, 554. Sales: 603.

Tate and Lyle ex-refinery price for granulated basis white sugar was £342.6 (same) a tonne for home trade and £426.00 (£413.00) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for August 8: Daily price 32.85 (32.44); 15-day average 29.38 (29.00).

WOOL FUTURES

BRADFORD WOOL—Business is poor, with only a little interest in merino and almost none in crossbreds. Very low prices were said to have been taken for merino tops simply to keep machinery occupied.

LONDON NEW ZEALAND CROSSBREDS — Close (in order buyer, seller, business, sales). New Zealand cents per kilo. Aug. 350, 359, nil, nil; Oct. 362, 364, nil, nil; Dec. 367, 368, 366, 1; Jan. 367, 370, 368, 1; March 371, 372, 371-370, 6; May 371, 373, 373-370, 12; Aug. 373, 376, 374, 5; Oct. 374, 378, nil, nil; Dec. 374, 378, nil, nil; Jan. 375, 381, nil, nil. Sales 25.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business, sales). Australian cents per pound. Oct. 458.0, 459.0, 460.-458.0, 49; Dec. 464.0, 465.5, 466.0-463.0, 87; March 469.0, 470.3, 471.0-469.0, 50; May 472.0, 473.0, 473.5-470.0, 36; July 474.0, 475.0, 475.0-472.8, 29; Oct. 473.5, 474.8, 474.8-474.0, 3; Dec. 473.0, 474.0, 475.0-474.0, 24. Sales: 278.

POTATOES

LONDON POTATO FUTURES—The market was very quiet, with prices not moving and no significant business being done, reports Coley and Harper. Closing prices: No. 41.20, -10 (high 41.30, low 41.20); Feb. 47.90, unchanged (no trades); April 54.80, unchanged (high 54.90, low 54.80). Turnover: 11 (24) lots of 40 tonnes.

COTTON

LIVERPOOL—Spot and shipment sales amounted to 196 tonnes. A moderate improvement in demand characterised the opening of the week's trading. A freer offtake occurred in various American type styles with African and Middle Eastern qualities predominating.

PRICE CHANGES

In tonnes unless otherwise stated.

	Aug. 11 1980	+ or —	Month ago
Metals			
Aluminium	£810/815	......	£810/815
Free Mkt	$1760/1790	—	$1720/40
Copper			
Cas w'bar	£894.5	-11.25	£908.5
3 mths	£914.5	-9.75	£931.25
Cash Cathode	£865.5	-6	£886.25
3 mths	£890	-8.5	£909
Gold troy oz	$617.5	-18	$644.5
Lead Cash	£361.5	+5	£333.75
3 mths	£376.5	+5.5	£343.75
Nickel	£3,186.45	......	£3,248.55
Freemkt (cif (lb	$290/305c	......	280/310c
Platin'mtr'y oz	£182.50	......	£182.50
Free mkt	£266.90	-8.15	£283.85
Quicksilver†	$400/415	......	$400/410
Silver troy oz	660.25p	-21.95	668.95p
3 mths	687.35p	-21.45	695.75p
Tin Cash	£7,187.5	-82.5	£7,145
3 mths	£7,117.5	-45.5	£7,165
Tungsten22.04lb	$143.39	......	$143.86
Wolfrm 22.04 lb	$148/151	......	$144/147
Zinc cash	£318	-1.5	£299.325
3 months	£330.25	-1	£311.25
Producers	$780	......	$780
Oils			
Coconut (Phil)	$640	+10	$655
Groundnut	—	—	‡
Linseed Crude	£407	-12	£410
Palm Malayan	$542.5y	-2.5	$560
Seeds			
Copra Philip	$440r	-5	$460w
Soyabean (U.S.)	$320.75s	-1.25	‡
Grains			
Barley Futures	£94.70	......	£95.85
Maize			
French No3AM	£123	+1	‡
Wheat			
No.1 Red Spg.	‡	......	‡
No2HardWint	£96.25	-2.5	£91
Eng. Millingt	‡	......	‡
Other commodities			
Cocoa ship't	£1,042	......	£1,110
Future Dec.	£1,030.5	+14	£1,070.5
CoffeeF t' Nov.	£1,225.5	-38	£1,466
Cotton A.Index	93.40c	-0.7	85.60c
Rubber (kilo)	58p	-0.50	56.25
Sugar (Raw)	£330	+10	£269
Woolt'ps 64s kl.	285p kilo	—	290p kilo

‡ Unquoted. s Sept. z Indicator. § Bayer. † Per 76-lb flask. y Oct. r Aug.-Sept.

TEA AUCTION

LONDON TEA AUCTION—47,577 packages were on offer at yesterday's auction: there was fair demand. North Indians were irregular, plainest neglected. Plain sylhets were irregularly lower, others were firm to dearer. Bright Africans were sometimes lower, as were mediums, with dusts weak. Clean, plain teas were firm, but poor leaf types were lower. Brighter Ceylons were barely steady. Mediums closed 2p-4p easier with dusts neglected. Quotations: Quality 148p per kilo (150p); Medium 95p (100p); Plain 70p (70p).

*

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £4.00-£5.40, codlings £2.00-£4.60. Large haddock £4.20-£5.10, medium £2.80-£4.40, small £1.20-£2.20. Large plaice £5.70-£6.90, medium £4.50-£6.50, best small £3.20-£4.30. Skinned dogfish (large) £5.00-£6.50, (medium) £5.00-£6.00. Lemon soles (large) £8.00, (medium) £7.00. Saithe £2.00-£2.20.

*

MEAT/VEGETABLES

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 61.0 to 65.0; Ulster hindquarters 72.0 to 76.0, forequarters 39.0 to 44.0; Eire hindquarters 70.0 to 73.5, forequarters 39.8 to 41.0. Veal: Dutch hinds and ends 96.0 to 102.0. Lamb: English small 51.0 to 56.5, medium 48.0 to 50.0, heavy 41.0 to 48.0. Imported frozen: NZ PL 59.0 to 60.0, PM 52.0 to 54.0. Pork: English, under 100 lb 40.0 to 48.0, 100-120 lb 38.0 to 46.0, 120-160 lb 36.0 to 44.0.

MEAT COMMISSION—Average fatstock prices at representative markets on August 11. GB cattle 73.88p per kg. lw (+0.07); UK sheep 113.92p per kg est dcw (-5.87); GB pigs 64.60p per kg lw (+3.78).

COVENT GARDEN—Prices in sterling per package except where otherwise stated. Imported produce: Oranges—Moroccan: 54/113s 5.00-5.40; Californian Sunkist: Valencia Lates 72/113s 6.00-6.40; Outspan: Protea/Navels 3.00-3.00-5.55; Jaffa: 114/168s 1.25-1.50. Lemons—Italian: 100/150s 5.00-5.50; Spania: Trays 25/45s 2.40, boxes 4.50-6.00; Outspan: Boxes 6.80-7.00. Grapefruit—Outspan: March Seedless 3.90-5.10. Tangerines—Brazilian: Honey 80/125s per box 7.00, half-boxes 3.50. Apples—Tasmanian: Democrat 9.50-10.00, Croftons 10.00, Granny Smith 12.50; S. African: Golden Delicious 13.50, Granny Smith 14.50; Dutch: 22 lb Golden Delicious 4.40; Spanish: 22 lb 5.60-6.00, 40 lb 9.50-10.50. Pears—French: Dr. Guyot per 28 lb 2.80; Williams' 3.50; Italian: Per pound Williams' 0.18, Dr. Guyot 0.12-0.15. Peaches—Italian: 1½ trays 1.80-2.60; Greek: 2.00; French: 1.30-2.20. Nectarines—Italian: 4.00-5.00. Plums—Spanish: Santa Rosa 1.00-2.00; Italian: Burbanks, approx. 20 lb boxes 3.00. Apricots—Hungarian: Per 10 lb 2.80. Grapes—Per pound Cyprus: Cardinal 0.30, Sultana 0.30, Alphonse Lavallee 0.40. Melons—Israeli: Ogen 3.50-4.00; Spanish: Yellow 10 kg 2.60-3.30; French: Large tray Charentais 8.00. Water Melons—Greek: Per 20 kg 4.00, per 15 kg 3.50. Bananas—Jamaican: 28 lb, per pound 0.17. Tomatoes—Jersey: 2.50; Dutch: 3.00. Onions—Spanish: 4.80-5.00. Cabbages—Dutch: White 3.30. Capsicums—Dutch: Green 3.80, Red 7.50. Corn Cobs—Spanish: Per pack 16 x 3 8.00. Greengages—Spanish: 2.70-3.40.

English produce: Potatoes—Per bag, new 1.00-1.40. Mushrooms—Per pound 0.30-0.60. Apples—Per pound Grenadier 0.14-0.16, Filbasket 0.18, Howgate 0.20, George Cave 0.16, Miller's Seedling 0.20. Plums—Per 12 lb Rivers 1.40-1.50, Oullin's Gage 1.80-2.00. Cabbages—Per bag 1.80-2.40. Cauliflowers—Per 12 1.00-1.40. Peas—Per pound 0.07-0.08. Beetroots—Per bag 1.00. Cucumbers—Trays 10/20 1.20-1.60.

AMERICAN MARKETS

NEW YORK, August 11.

THE LIVESTOCK complex finished mostly sharply lower, higher cash prices attracted increased hog marketings. Sugar sold off on favourable beet growth reports from W. Germany. Gold and silver broke sharply lower on local selling as the markets followed through from last week. Copper was basically unchanged. Commission house buying lifted cocoa to higher levels. New price supporting action by the Bogota group attracted commission house and trade buying early in the day for coffee. Cotton recovered from early losses on reports of some damage to the Texas crop by hurricane Allen, but fell back on the close. Grains and soyabeans sold off in a big move as heavy precipation in the norther ncorn belt suggest some improvements in yields might be possible, reported Heinold.

Potatoes (round whites)—Nov. 87.8-88.0 (88.4), March 116.8-118.2 (115.5), April 143.8-144.3. Sales: 3,195.

Sugar—No. 11: Sept. 33.00-33.20 (34.17), Oct. 33.90-33.95 (34.82), Jan. 34.80-34.75, March 35.00-35.10, May 34.05, July 33.00, Sept. 31.20-31.25, Oct. 30.50-30.60, Jan. 29.00-30.00.

Tin—769.00-780.00 (775.00-789.00).

CHICAGO, August 11.

Lard—Chicago loose 22.50 (same). New York prime steam 23.00.

Live Cattle—Aug. 74.20-74.05 (74.60), Oct. 70.45-70.35 (71.20), Dec. 69.85-April 71.90-72.00, June 73.05.

Live Hogs—Aug. 49.35-49.50 (49.10), Oct. 44.60-44.70 (45.35), Dec. 47.55-47.80, Feb. 50.25-50.30, April 49.02, June 51.60, July 52.70, Aug. 52.20, Oct. 51.30.

‡‡Maize—Sept. 336½-337 (340¼). Dec. 335-335½ (340¼), March 341½-341, May 342½-342¼, July 342½-342, Sept. 333¾-332½.

Pork Bellies — Aug. 51.80-52.00 (50.20), Feb. 64.40-64.00 (64.72), March 64.30-64.20, May 64.50-64.40, July 64.40, Aug. 64.25.

Silver—Aug. 1580.0 (1600.0), Sept. —— (1608.5), Oct. 1577.0-1575.0, Dec. 1608.0, Feb. 1639.0, April 1670.0, June 1701.0, Aug. 1732.0, Oct. 1763.0, Dec. ——, Feb. 1826.5, April 1870.0, June 1894.5, Aug. ——, Oct. ——, Nov. ——.

†Soyabeans—Aug. 751½-760½ (763½), Sept. 757-755 (774½), Nov. 773-770, Jan. 781½-780½, March 790-790½, May 792-790, July 786½, Aug. 780.

¶Soyabean Meal—Aug. 207.0 (210.5), Sept. 210.0-209.5, (213.3), Oct. 212.0-212.5, Dec. 216.8-216.5, Jan. 218.0, March 219.5-220.0, May 219.5-220.0, July 220.5-219.5, Aug. 217.0, Sept. 214.0-215.5.

Soyabean Oil—Aug. 26.75-26.65 (27.30), Sept. 26.90-26.85 (27.47), Oct. 27.05-27.00, Dec. 27.30-27.25, Jan. 27.25, March 27.30-27.35, May 27.35, July 27.40, Aug. 27.35-27.45, Sept. 27.35-27.45.

†Wheat—Sept. 451-451½ (454½), Dec. 471-471¼ (474½), March 486-487, May 490-490½, July 486½-487, Sept. ——.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. ‖ $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

EUROPEAN MARKETS

ROTTERDAM, August 11.

Wheat—U.S. No. 2 Dark Hard Winter, 13.5 per cent, half-July/half-Aug. $205.50, Aug. $206, Sept. $206, Oct. $210, Nov. $215, Dec. $218. U.S. No. 2 Red Winter, Aug. $197, Sept. $198, Oct. $200.50. U.S. No. 2 Northern Spring, 14 per cent, Aug. $211, Sept. $213.50, Oct. $218, Nov. $220.50, Dec. $227. Rest unquoted.

Maize—Afloat $167.50, Aug. $167, Sept. $166.50, Oct. $166.50, Nov. $167.50, Dec. $168.50, Jan.-March $172.50.

Soyabeans—U.S. Two Yellow Gulfports Aug. $310, Sept. $312, Oct. $319, Nov. $320, Dec. $323.75, Jan. $327.50, Feb. $330, March $332, April-May $332.50. Argentine Aug. $299, Sept. $307.50 sellers.

Soyameal—44 per cent protein U.S. afloat $252, Aug. $254, Sept. $264, Oct. $268, Nov.-March $278. Brazil Pellets afloat $265, Aug. $269, Sept. $277, Nov.-March $290.

PARIS, August 11.

Cocoa (FFr per 100 kilos)—Sept. 930-960, Dec. 976-990, March 1010-1030, May 1030-1050, July 1040, Sept. 1050. Sales at call 0.

Sugar (FFr per 100 kilos)—Oct. 3243-3244, Nov. 3200-3280, Dec. 3275-3279, March 3360-3375, May 3300, July 3250, Aug. 3200, Oct. 3170. Sales at call 18.

INDICES

FINANCIAL TIMES

Aug. 8	Aug. 7	Mnth ago	Year ago
275.56	275.04	271.70	284.84

(Base: July 1, 1952=100)

MOODY'S

Aug. 8	Aug. 7	M'nth ago	Year ago
1231.6	1236.4	1160.3	1063.8

(December 31, 1931=100)

DOW JONES

Dow Jones	Aug. 8	Aug. 7	Month ago	Year ago
Spot	446.69	440.52	414.28	392.23
F'tur s	453.92	449.25	437.31	400.90

(Average 1924-25-26=100)

REUTERS

Aug. 11	Aug. 8	M'nth ago	Year ago
1713.2	1710.4	1676.4	1550.4

(Base: September 18, 1931=100)

Economic indicators disappoint and both equities and Gilts make a dull start to the new account

Account Dealing Dates
Options

*First Dealings	Declara- tions	Last Dealings	Account Day
July 28	Aug. 7	Aug. 8	Aug. 18
Aug. 11	Aug. 28	Aug. 29	Sept. 8
Sept. 1	Sept. 11	Sept. 12	Sept. 22

* "New time" dealings may take place from 9 am two business days earlier.

The three-week holiday trading Account in stock markets got off to a slow and uncertain start yesterday. Despite Chancellor Sir Geoffrey Howe's backing for the Government's prediction of a "very substantial drop" in the inflation rate, no follow-through support developed in the Gilt-edged sector after the two-day rally at the end of last week.

Potential buyers of gilts were content to await July's Wholesale Price Indices and Central Government Borrowing Requirement. Both caused disappointment *when they were announced* in the late afternoon, and earlier falls in Gilts were extended. Quotations ended at the day's lowest with falls generally ranging to ⅜, but the £20-paid tap **Treasury** 11¾ per cent 1991 "A" fell a point to 17¾ as did **Treasry** 13 per cent 2000, to **75¾** for the £75-paid stock. Short-dated issues encountered some early cheap buying, but once this was completed prices drifted off in sympathy with the mediums and longs.

The equity sectors traded quietly and moved within narrow limits. A downward bias *in leading issues* was evident in the FT 30-share index which ended 2.1 off at 497.1 after having been 2.4 down at the *day's lowest at 1 pm.*

Leading Electricals remained popular, but gave up early gains before improving again towards the close, while the recently out-of-favour second line oil exploration issues made a firmer showing. Weekend Press mention had only a marginal effect on prices, and the day's company trading statements lacked inspiration with even **Transport Development Group's** good first-half profits having no impression on the shares at 76p.

South African Gold Mines came back with yesterday's fall of $16 to $617¼ in the bullion price, with the Gold Mines index losing 16.9 to 362.3.

General Wall's remarks about the possibility of civil war in Zimbabwe led to further falls in Southern Rhodesian bonds after last week's sharp losses on disappointment with the settlement terms.

Interest in Traded options was again largely confined to **Lonrho** which contributed 184 deals to a total of 553. Last week's daily average was 643.

Royal Bk Scotland up

Royal Bank of Scotland became an isolated firm feature in an otherwise drab banking sector, rising 5 to 86p in response to a weekend Press suggestion that Citibank of the U.S. might bid for Royal's subsidiary Williams and Glyn's Bank. Elsewhere, **UDT** improved a couple of pence to 65p ahead of tomorrow's preliminary figures.

Forecasts of a substantial increase in beer prices in the coming year *failed* to find reflection in Breweries which held pre-weekend levels in a quiet business. Wines and Spirits lacked inspiration although Press suggestions that recent selling had been overdone helped **Highland Distilleries**, 5 better at 119p.

Nervous selling ahead of the interim results due towards the end of the month left **London Brick** 4 cheaper at 72p. Other *leading Buildings also* trended easier, **Blue Circle** and **Ready Mixed Concrete** losing a couple of pence apiece to 358p and 184p respectively. Elsewhere, **Armitage Shanks** added 3 to 102p on hopes of a favourable outcome to the Monopolies Commission inquiry into Blue Circle's bid for the company. Recently dull following the interim results, **Carron** *rallied 4 to 30p*, but **Wettern Brothers**, a particularly *thin market*, shed 6 to a 1980 low of 75p. **Marchwiel** revived with a gain of 6 at 100p, while **Comben** hardened a penny to 34p, the latter in response to higher half-yearly profits.

Wearwell good again

Demand for leading Stores remained at a low ebb although a better undertone often left prices a penny or two better on the day. **House of Fraser** were particularly firm, rising 6 to 146p on fresh hopes of a bid from Lonrho. Some isolated firm spots appeared in secondary issues. Press comment helped **Goodman Brothers** and **Stockman**, 2 up at 11½p, **MFI**, a similar amount better at 50p xd, and **Wearwell**, 3 higher for a two-day gain of 6 at 61p. **B and Q (Retail)**, up 14 on Friday in response to the surprise 85p per share offer from **F. W. Woolworth**, encountered profit-taking and slipped 2 to 80p: D-I-Y concern **Home Charm** improved 6 to 102p in sympathy.

Electricals continued to attract a fair measure of attention. Most prices reacted from a firm opening, but fresh support was seen after the official close and the leaders ended at the day's best. **GEC**, helped by the chairman's annual review added a couple of pence to 484p, while good support was noted for **Plessey**, 5 up at 226p. Press comment lifted **Thorn EMI** 10½ to 336p xd. Interest was also shown for **Unitech**, 320p, and **Derritron**, 30½p, up 4 and 3 respectively, while renewed speculative demand buoyed **Forward Technology**, 9 dearer at 118p. **Muirhead** became a good market on revived hopes of a bid from Tyco Laboratories and ended 8 to the good at 140p, while further consideration of last week's annual results and capital proposals lifted **Wholesale Fittings** 10 for a two-day rise of 60 at 785p.

Reports that the Office of Fair Trading is likely to investigate the group's bicycle-manufacturing subsidiary Raleigh Industries for refusing to supply cut-price retailers unsettled **Tubes** which drifted down to *close 4 off at 246p. Elsewhere* in Engineerings, **Vosper** picked up 7 to 140p and **Yarrow** 10 to 240p from last Friday's depressed levels which followed the Government's decision not to improve nationalisation compensation terms. **Pegler Hattersley** moved up 6 to 122p in late response to news that it plans to sell its McEvoy Oilfield equipment operations in the UK and North America, which it owns *jointly with Rockwell* International, to Smith International Inc. of California, for approximately US$80m cash.

Speculative support was forthcoming for **Smith (Whitworth)** which rose 3 to 9p.

Among Foods, **British Sugar** met renewed support and rose 8 to a 1980 peak of 260p.

Interest in Hotels and Caterers was confined to selected secondary issues. **Reo Stakis** improved 1½ to 44½p after favourable weekend Press comment on the company's £4.4m provincial casino deal with Ladbroke. Fresh buying in a thin market left **Wheeler's Restaurants** 10 better at 245p.

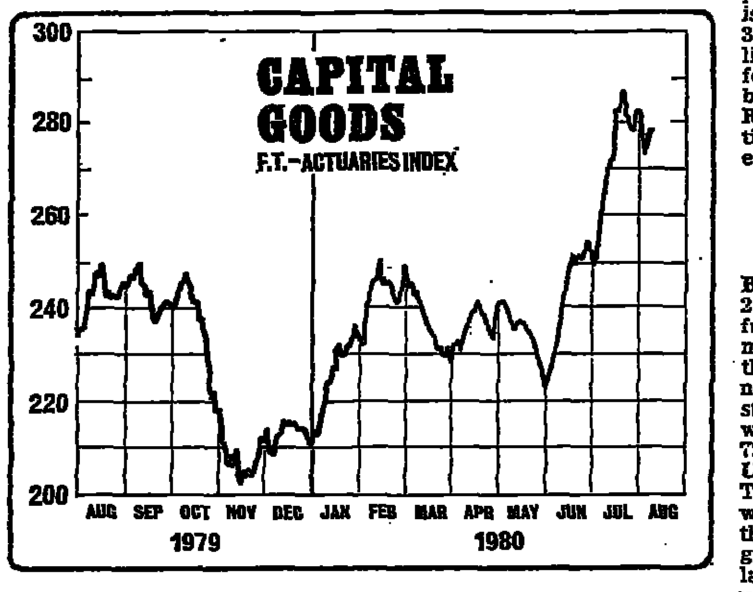
Boots firm

Trade was extremely thin in the miscellaneous industrial leaders on the first day of the Account and the closing trend was mixed. **Boots** stood out with a rise of 5 to 222p, while **Unilever** closed unchanged at 470p awaiting today's interim figures. Elsewhere, **Fobel International**, at 28pxd, recorded a Press-inspired gain of 4. Still on hopes that the company will be awarded the lion's share of the Government's Inland Revenue computer contract, **ICL** edged forward a couple of pence more to 172p. **Manchester Ship Canal** closed a penny harder at 198p following the half-yearly figures. Down 25 last week following the poor first-half results, **Hoover A** picked up 7 to 150p xd. **Johnson Matthey** *closed 8 dearer at 206p* ex the one-for-one scrip-issue.

Medminster stood out in the Leisure sector, rising 4½ to 33½p *in response to favourable week*-end Press comment.

Motor Distributors trended better where changed. **Caffyns** added 3 to 155p, while late support was seen for **Lex Service**, 6 up at 86p xd. Components were again mixed; **Dowty** picked up 4 to 233p, but **Automotive Products**, interim statement due on Thursday, eased 2 to 65p. **Kwik-Fit** continued to benefit from acquisition of the Firestone retail outlets and firmed 2½ more to 88½p.

Business in Properties was on a reasonable scale, but price movements rarely exceeded a couple of pence in either direction. Among the leaders, **Land Securities** eased 2 to 361p, while **MEPC** hardened a penny to 226p. Elsewhere, **Property Security and** *Investment* improved 2 *to* 217p on the increased annual revenue and proposed one-for-four scrip *issue, while* **Avenue Close** *added* 3 to 133p awaiting the preliminary results. **Marler** came in for support and gained 4 to 44p, bzut profit-taking clipped 2 from **Regional A**, 136p. **Swire Properties** put on 5½ to 74½p on far-eastern advices.



Oils firm

With the notable exception of **British Petroleum**, which eased 2 to 356p following the successful bid for Selection Trust, Oils made fresh headway of reports that the OPEC countries were near an agreement on a price structure. **Shell** put on 8 to 418p, while **Lasmo** gained 26 more to 720p and **Tricentrol** 10 to 344p. *Ultramar, interim results on* Thursday, firmed 8 to 354p, while **Sovereign** added 9 to 284p, the latter following publicity given to a broker's bullish circular. **I C Gas** picked up 12 to 778p, while **KCA** and **Premier** improved 4 apiece to the common price of 84p. **Carless** firmed 5 to 153p, but **Candecca** closed 2 cheaper on balance at 196p, after 200p. Elsewhere, **Strata** rose 8 to 128p, but profit-taking left **Double-Eagle** 10 off *at* 195p and **Warrior Resources** 20 lower at 190p.

In Investment Trusts, *consideration of North Sea oil* interests helped **Atlantic Assets**, 188p, and **Viking Resources**, 258p, up 3 apiece. Financials were again featured by **Mercantile House**, 7 better at 283p, but **Centreway Trust**, firm last week following the annual results, eased 5 to 150p on profit-taking.

In mixed Textiles, **Nottingham Manufacturing** announced first-half earnings below market estimates and fell 7 to 89p. **Corah**, interim *statement* due on Friday, eased a penny to 28½p, but **Carrington Viyella** firmed a fraction to 11p; the last-mentioned announces its half-timer tomorrow. A broker's recommendation lifted **Dawson International** 2 to *124p, after 125p*, while **Cawdaw** added a couple of pence to 19p.

Golds under pressure

Mining markets began the week in brisk trading with South African issues losing ground across a broad front but Australians and tins staging a further advance.

South African Golds suffered a sharp setback in the wake of the lower bullion price—finally $16 down at $617.50 an ounce—and were additionally upset by the continuing weakness of the Financial Rand which fell to its *lowest level this year.*

Share prices were *marked* down at the outset and met selling throughout to close at the day's lowest. The majority of the selling came from local, Continental and American sources and heavier falls were only prevented by persistent support from Johannesburg.

The Gold Mines index, down 16.9 at 362.3, registered its heaviest one-day loss since the beginning of June.

Among the heavyweights, falls of a point and more were common to **Randfontein**, £29¾, **Hartebeest**, £30, **Kloof**, £13, *Western Deep, £20, and Free* **State Geduld**, £27. Medium and lower-priced issues showed *Blyvoor 57 down at 649p*, **Elandsrand** 31 off at 475p and **South African Land** 26 cheaper at 464p.

Various rumours concerning the Ashton diamond venture encouraged good demand for **Tanks** which put on 7 to 327p.

Australians made good progress reflecting the strong per*formance in overnight domestic* markets which prompted a fair demand in London. All sections registered good gains with the possible exception of golds.

The Ashton participants showed **Conzinc Riotinto** 16 higher at 284p, **Ashton** 12 better at 142p and **Northern Mining** 5 firmer at 125p.

The Rundle oil shale twins, **Central Pacific** and **Southern Pacific** put on around ¼ apiece at £29 and £10⅞ respectively.

In base-metals **Metals Exploration** added a further 5 to 75p, after 77p, and **Western Mining** gained 10 to 294p. **EZ Industries** rose 5 to 325p following news that further significant copper and zinc mineralisation has been *found at the Golden Grove project* in Western Australia. Tins were buoyant reflecting good buying from the far east.

FINANCIAL TIMES STOCK INDICES

	Aug. 11	Aug. 8	Aug. 7	Aug. 6	Aug. 5	Aug. 4	A year ago
Government Secs.	69.53	69.81	69.49	68.67	70.15	70.24	75.52
Fixed Interest	70.60	70.68	70.41	70.57	71.88	72.00	74.52
Industrial	479.0	481.1	478.2	473.1	480.9	483.4	475.8
Gold Mines	362.3	379.2	380.1	375.0	377.1	374.4	169.2
Ord. Div. Yield	7.55	7.53	7.59	7.69	7.55	7.52	6.88
Earnings, Yld. % (full)	17.72	17.72	18.17	18.40	18.09	18.02	17.31
P/E Ratio(net) (*)	6.82	6.83	6.63	6.55	6.67	6.69	7.31
Total Bargains	18,861	20,696	19,816	19,254	18,125	17,819	—
Equity turnover £m.	—	113.82	103.17	103.23	77.11	75.59	74.13
Equity bargains total	—	15,092	12,018	15,094	11,304	12,214	11,918

10 am 480.6. 11 am 479.6. Noon 479.0. 1 pm 478.7.
2 pm 478.9. 3 pm 478.9.
Latest Index 01-246 8026.
* Nil=6.36.

Basis 100 Govt Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1980 High	1980 Low	Since Compilat'n High	Since Compilat'n Low
Govt Secs.	72.54 (21/7)	63.86 (7/5)	127.4 (9/1/35)	49.18 (6/1/75)
Fixed Int.	74.08 (24/7)	64.70 (10/5)	150.4 (28/11/47)	50.53 (5/1/75)
Ind. Ord.	503.1 (16/7)	406.9 (3/1)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	383.8 (29/7)	265.5 (10/3)	442.3 (22/9/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Aug. 11	Aug. 8
—Daily		
Gilt Edged	118.4	126.4
Industrials	92.2	108.3
Speculative	40.6	40.3
Totals	67.5	76.6
5-day Avrge.		
Gilt Edged	128.4	127.1
Industrials	103.1	102.5
Speculative	34.3	33.7
Totals	72.6	71.7

NEW HIGHS AND LOWS FOR 1980

The following shares quoted in the Share Information Service yesterday attained new Highs and Lows for 1980.

NEW HIGHS (54)

AMERICANS (3): Bankers Trust N.Y., Lionel Corp., Fluor Corp.
CANADIANS (2): Bk. of Nova Scotia, Hawker Siddeley Can.
BANKS (1): Deutsche Bank
BUILDINGS (2): Howard Shuttering, Marchwiel
STORES (1): Wearwell
ELECTRICALS (6): Derritron, Plessey, Kode Intl., Security Centres, Perkin-Elmer 4oc, Wholesale Fittings
ENGINEERING (3): R.H.P., Spirax-Sarco, Smith Whitworth
FOODS (1): British Sugar
INDUSTRIALS (8): Boots, Office & Electronic, Johnson, Matthey, Pauls & Whites, Leo Group, Pritchard Services, Nolton, Wilkes (J.)
LEISURE (1): Webb (J.)
MOTORS (1): Kwik-Fit
PAPER (2): Chapman & Co. (Balham), More O'Ferrall
PROPERTY (4): Corn Exchange, Swire Props., Land Investors, Westminster Prop.
TEXTILES (1): Jerome (Hldgs.)
TRUSTS (6): Australian & Intl., Tribune Inv., Brit. Indl. & Genl., Winterbottom, Oil & Assoc. Inv., English Association
RUBBERS (1): Malakoff
MINES (11): Rand London, Geevor Cons., Rand London Coal, [illegible], Metals Exploration, Malay. Dredging, Nickelore, Petaling, Western Mining, Tronoh, Berjuntai

NEW LOWS (29)

BRITISH FUNDS (1): Treas. 12pc 1987 (£20 paid)
BUILDINGS (2): Sharpe & Fisher, Wettern Bros.
CHEMICALS (1): Arrow Chemicals
STORES (2): Ford (M.), Vantona, Helene of London
ELECTRICALS (1): Welco Hldgs.
ENGINEERING (2): Richards (Leicester), Shaw (Francis)
INDUSTRIALS (11): [illegible]
MOTORS (1): Zenith A
NEWSPAPERS (2): Benn Bros., Routledge Keg. Paul
PAPER (1): Usher-Walker
PROPERTY (1): Carrington Inv.
SHOES (1): Stylo Shoes
TEXTILES (2): Illingworth Morris A, Small & Tidmas

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	1	79	14
Corpns., Dom. and Foreign Bonds	[illegible]	[illegible]	[illegible]
Industrials	[illegible]	[illegible]	[illegible]
Financial and Prop.	[illegible]	[illegible]	[illegible]
Oils	[illegible]	[illegible]	[illegible]
Plantations	[illegible]	[illegible]	[illegible]
Mines	[illegible]	[illegible]	[illegible]
Others	[illegible]	[illegible]	[illegible]
Totals	[illegible]	[illegible]	[illegible]

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Mon., Aug. 11, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Fri., Aug. 8 Index No.	Thur., Aug. 7 Index No.	Wed., Aug. 6 Index No.	Tues., Aug. 5 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	278.56	+0.3	16.39	6.02	7.36	277.71	275.59	273.57	278.39	247.55
2	Building Materials (28)	255.60	−0.3	18.00	6.56	6.54	256.37	254.27	254.31	257.30	226.28
3	Contracting, Construction (27)	412.39	−0.2	22.51	5.90	5.28	413.14	408.46	409.62	416.26	368.54
4	Electricals (16)	815.63	+0.6	11.82	3.26	10.36	810.38	799.47	785.08	802.87	627.66
5	Engineering Contractors (11)	329.21	−1.0	20.63	7.91	6.08	332.66	334.21	335.55	336.97	368.67
6	Mechanical Engineering (74)	179.00	+0.4	17.09	7.47	7.15	178.34	178.14	177.18	180.37	178.74
8	Metals and Metal Forming (16)	168.08	+0.9	23.57	11.03	5.54	166.59	166.33	166.28	169.49	164.01
	CONSUMER GOODS										
11	(DURABLE) (49)	232.96	+0.4	14.10	5.50	8.51	232.12	230.49	227.79	233.69	235.51
12	Lt. Electronics, Radio, TV (14)	350.65	+0.5	10.95	4.02	11.20	348.87	345.13	340.03	349.19	332.60
13	Household Goods (14)	93.89	−0.2	25.81	10.91	4.89	94.10	94.14	94.39	97.79	149.81
14	Motors and Distributors (21)	101.66	—	22.23	9.32	5.16	101.67	102.06	101.58	103.66	113.39
	CONSUMER GOODS										
21	(NON DURABLES) (172)	233.29	+0.1	17.67	6.92	6.84	233.13	231.33	230.05	233.50	241.14
22	Breweries (14)	283.57	−0.1	16.03	6.49	7.28	283.71	278.98	279.29	284.03	285.21
23	Wines and Spirits (5)	310.37	−2.1	19.55	6.56	6.02	317.13	315.73	313.37	318.35	320.26
24	Entertainment, Catering (17)	327.17	−1.3	17.65	6.84	7.03	331.63	326.13	323.23	330.95	311.64
25	Food Manufacturers (21)	209.66	−0.1	19.32	7.16	6.08	209.98	208.19	208.54	212.80	205.92
26	Food Retailing (13)	349.04	−0.3	12.09	4.56	9.87	350.04	347.39	346.41	352.69	318.60
32	Newspapers, Publishing (13)	433.55	+0.1	21.69	7.39	6.08	433.10	431.84	427.50	433.15	410.67
33	Packaging and Paper (15)	132.35	—	27.00	9.89	4.30	132.29	130.89	130.61	132.90	126.46
34	Stores (45)	232.30	+1.1	13.57	5.42	9.61	229.80	228.92	226.43	228.77	252.00
35	Textiles (21)	123.73	−0.2	26.57	12.77	4.58	124.02	124.22	123.81	124.73	155.48
36	Tobaccos (3)	225.56	—	25.44	10.32	4.47	225.45	224.47	222.31	224.37	245.49
37	Toys and Games (5)	27.52	+1.3	8.17	13.85	28.30	27.17	27.08	26.97	26.97	77.08
41	OTHER GROUPS (99)	223.32	+0.1	16.54	6.95	7.18	223.04	221.30	219.89	224.39	202.51
42	Chemicals (16)	310.78	—	19.97	7.76	5.74	310.82	308.87	305.45	311.38	280.86
43	Pharmaceutical Products (7)	223.93	—	11.30	6.18	10.94	223.95	218.95	215.98	222.85	225.17
44	Office Equipment (6)	105.25	−0.2	19.24	7.88	6.07	105.50	105.13	105.35	108.70	119.85
45	Shipping (10)	586.80	+0.6	13.08	6.02	9.32	583.04	577.80	574.86	581.95	451.72
46	Miscellaneous (60)	281.73	+0.3	16.06	6.58	7.61	280.95	280.24	280.25	284.66	241.16
49	INDUSTRIAL GROUP (492)	249.73	+0.2	16.81	6.58	7.15	249.31	247.41	245.76	250.12	240.20
51	Oils (8)	803.99	+0.8	28.60	6.39	3.86	797.74	782.35	774.71	774.93	633.06
59	500 SHARE INDEX	293.63	+0.3	19.24	6.54	6.08	292.78	289.84	287.72	291.81	272.19
61	FINANCIAL GROUP (118)	226.09	−0.1	—	5.65	—	226.38	224.90	224.34	228.65	191.08
62	Banks (6)	227.12	−0.5	44.47	7.40	2.67	228.29	227.14	224.49	224.54	223.44
63	Discount Houses (10)	284.38	+0.1	—	6.24	—	284.03	281.94	279.02	286.29	265.36
64	Hire Purchase (5)	231.31	+1.3	13.39	4.33	9.73	228.24	227.29	224.74	238.14	166.73
65	Insurance (Life) (10)	225.39	+0.2	—	5.65	—	224.87	222.95	223.19	229.25	148.81
66	Insurance (Composite) (9)	147.91	−0.4	—	7.27	—	148.54	148.89	149.97	155.26	127.05
67	Insurance Brokers (9)	333.00	−0.2	13.95	6.93	9.84	333.56	332.40	332.77	337.07	266.14
68	Merchant Banks (12)	134.03	+0.5	—	5.30	—	133.39	133.48	134.76	137.43	98.81
69	Property (45)	436.69	−0.1	3.26	2.69	42.50	437.14	429.99	427.79	436.61	365.22
70	Miscellaneous (12)	140.66	+0.5	14.71	6.27	8.64	140.01	139.63	139.42	139.94	117.60
71	Investment Trusts (109)	255.32	+0.2	—	5.61	—	254.88	253.04	252.96	256.39	210.33
81	Mining Finance (4)	243.18	−0.7	11.10	4.06	10.86	244.81	241.36	238.93	239.42	122.93
91	Overseas Traders (19)	414.89	−0.3	12.12	7.14	9.95	416.05	411.54	411.69	415.69	340.75
99	ALL-SHARE INDEX (750)	279.71	+0.2	—	6.26	—	279.26	276.63	275.00	279.01	248.92

FIXED INTEREST PRICE INDICES

	British Government	Mon., Aug. 11	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	104.91	−0.19	0.68	6.73
2	5-15 years	118.74	−0.60	—	8.43
3	Over 15 years	116.82	−0.83	—	8.04
4	Irredeemables	129.75	−0.67	—	7.24
5	All stocks	118.57	−0.55	0.23	7.57

	FIXED INTEREST YIELDS British Govt. Av. Gross Red.		Mon., Aug. 11	Fri., Aug. 8	Year ago (approx.)
1	Low	5 years	11.96	11.85	10.89
2	Coupons	15 years	11.92	11.80	10.55
3		25 years	11.92	11.80	10.52
4	Medium	5 years	13.43	13.29	12.11
5	Coupons	15 years	13.26	13.12	12.11
6		25 years	13.23	13.12	12.11
7	High	5 years	13.59	13.54	12.54
8	Coupons	15 years	13.68	13.57	12.58
9		25 years	13.55	13.52	12.30
10	Irredeemables		11.43	11.34	10.69

		Mon., August 11 Index No.	Yield %	Friday Aug. 8	Thurs. Aug. 7	Wed. Aug. 6	Tues. Aug. 5	Mon. Aug. 4	Friday Aug. 1	Thurs. July 31	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	54.47	†13.61	54.63	54.71	54.90	55.00	55.54	55.58	55.65	58.41
16	Investment Trust Prefs. (15)	50.76	13.33	50.11	50.73	50.85	50.94	50.94	50.94	50.90	54.08
17	Coml. and Indl. Prefs. (20)	66.73	13.46	66.87	66.82	67.78	68.58	68.58	68.56	68.55	71.44

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in Saturday issues. A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 25p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1980 high	1980 low
GEC	25p	7	484	+ 2	494	326
LASMO	25p	7	720	+26	830	337
Premier Cons.	5p	6	84	+ 4	99	36
Shell Transport	25p	6	418	+ 8	432	314
Western Mining	$A0.50	6	294	+10	294	177
Boots	25p	5	222	+ 5	222	158
BP	25p	5	356	− 2	412	320
European Ferries	25p	5	185	+ 1	191	98
Fobel Intl.	10p	5	28xd	+ 4	33½	21½
NatWest Bank	£1	5	355xd	+ 3½	390	305
Plessey	50p	5	226	+ 5	226	108
Racal Electronics	25p	5	280	+ 2	290	175
Royal Bank of Scotland	25p	5	86	+ 5	96	75
Thorn EMI	25p	5	336xd	+10½	348	260
Unilever	25p	5	470	—	512	388

OPTIONS

First Dealing	Last Dealing	Last Declaration	For Settlement
Aug. 4	Aug. 15	Nov. 6	Nov. 17
Aug. 18	Aug. 29	Nov. 20	Dec. 1
Sept. 8	Sept. 19	Dec. 4	Dec. 15

For rate indications see end of Share Information Service

Stocks favoured for the call included **John Brown, Tebbitt Brothers, Premier Oil, Charterhall, Burmah, FNFC, Endeavour, Weeks Associates, LRC, R. P. Martin, Marks and Spencer, Armitage Shanks, House of Fraser, Dunlop, Aran Energy, Tricentrol, Town and City Properties** and **BLMC 7½ per cent loan**. Puts were arranged in **Trusthouse Forte, Hongkong and Shanghai Banking** and **FNFC**. No doubles were reported.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
§60	F.P.	—	112	91	‡‡Baker Electronics 10p	109	+2	[illegible]	[illegible]	[illegible]	[illegible]
§58½	F.P.	—	90	60	Energy Capital (1½p)	88	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
¶¶	F.P.	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65	F.P.	—	96	74	Home Farm Prods 10p	95	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
160	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
100	F.P.	—	91	[illegible]	Peerless	91	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
§51	F.P.	—	78	57	Whittle & Holland 10p	75	+1	[illegible]	[illegible]	[illegible]	[illegible]
§57	F.P.	—	78	73	Utd. Electronic 20p	75	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p	+ or −
11	F.P.	25/7	120	109½	British Home Stores 9½ Cnv. Ln. '92	118	[illegible]
98	£20	—	18¼	17	Denmark 13⅞ 2005	17	[illegible]
¶¶	F.P.	—	69	63½	London & Midlands 8½ pc Deb. '99-04	69	[illegible]
¶¶	F.P.	—	102	100	Outwich 10% Pref.	100	[illegible]
¶	F.P.	8/8	105½	101	South Staff. Water 9¾% Rd. Pf. '85	103½	[illegible]
¶	F.P.	29/8	104	103	Sunderl'd & S.Shields Wtr 9¾% Rd.Prf. 1985	103½	[illegible]

FIXED INTEREST STOCKS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p	+ or −
65	F.P.	5/6	1/9	99	88	Anderson Strathclyde	99
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Astbury & Madeley	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Berisford (S. & W.)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Charterhall	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Clive Discount	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Coalite	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Crest Nicholson	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Derritron	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Ferranti	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Hazelwood Foods	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Land Securities	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lonrho	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	McKay Secs.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mallinson Denny	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Polly Peck	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sturla	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Thurgar Bardex	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

[illegible]

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)

Allen Harvey & Ross Unit Tst. Mngrs.

Allied Hambro Ltd. (a) (b)

Anderson Unit Trust Managers Ltd.

Ansbacher Unit Mgmt. Co. Ltd.

Arbuthnot Securities Ltd. (a)(c)

Archway Unit Tst. Mgs. Ltd.

Barclays Unicorn Ltd. (a)(c)(g)

Baring Brothers & Co. Ltd.

Bishopsgate Progressive Mgmt. Co.

Bridge Fund Managers (a)(c)

Britannia/Schlesinger

Britannia Trust Management (a) (c) (g)

Schlesinger Trust Mngrs. Ltd. (a)(z)

The British Life Office Ltd. (a)

Brown Shipley & Co. Ltd.

Canada Life Unit Tst. Mngrs. Ltd.

Capel (James) Mngt. Ltd.

Carliol Unit Fd. Mgrs. Ltd.

Cent. Sebag Unit Trust Managers(a)

Charities Official Invest. Fund

Chieftain Trust Managers Ltd.

Confederation Funds Mgt. Ltd. (a)

Craigmount Unit Tst. Mgrs. Ltd.

Crescent Unit Tst. Mngrs. Ltd. (a)(g)

Dartington Unit Trust Mngt. Ltd.

Discretionary Unit Fund Managers

E. F. Winchester Fund Mngt. Ltd.

Emson & Dudley Tst. Mngmnt. Ltd.

Equity & Law Un. Tr. M.

Fidelity International Management Ltd.

James Finlay Unit Trust Mngt. Ltd.

Framlington Unit Mgt. Ltd. (a)

Friends' Provdt. Unit Tr. Mgrs.

Funds in Court

G.T. Unit Managers Ltd.

G. & A. Trust (a) (g)

Gartmore Fund Managers (a)(g)

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)

Govett (John)

Grieveson Management Co. Ltd.

Guardian Royal Ex. Unit Mgrs. Ltd.

Henderson Administration (a)(b)(c)

Hill Samuel Unit Tst. Mgrs.

Investment Intelligence Ltd.

Key Fund Managers Ltd. (a)(g)

Kleinwort Benson Unit Managers

L & C Unit Trust Management Ltd.

Legal & General Tyndall Fund

Leonine Administration Ltd.

Lloyds Bk. Unit Tst. Mngrs. Ltd.

Lloyd's Life Unit Tst. Mngrs. Ltd.

Local Authorities' Mutual Invest. Tst.

M & G Group (y)(c)(z)

ManuLife Management Ltd.

Mayflower Management Co. Ltd.

Mercury Fund Managers Ltd.

Midland Bank Group Unit Trust Managers Ltd.

Minster Fund Managers Ltd.

MLA Unit Trust Mngmnt. Ltd.

Murray Johnstone U.T. Mgmt.

Mutual Unit Trust Managers (a)(g)

National Provident Inv. Mngrs. Ltd.

National Westminster (a)

NEL Trust Managers Ltd. (a)(g)

Northgate Unit Trust Managers Ltd.

Norwich Union Insurance Group (b)

Pearl Trust Managers Ltd. (a)(g)(z)

Pelican Units Admin. Ltd. (g)(x)

Perpetual Unit Trust Mngmt. (a)

Practical Invest. Co. Ltd. (y)(c)

Provincial Life Inv. Co. Ltd.

Prudl. Portfolio Mngrs. Ltd. (a)(b)(c)

Quilter Management Co. Ltd.

Reliance Unit Mgrs. Ltd.

Ridgefield Management Ltd.

Rothschild Asset Management (g)

Rowan Unit Trust Mngt. Ltd. (a)

Royal Tst. Can. Fd. Mgrs. Ltd.

Save & Prosper Group

Schroder Wagg & Co. Ltd. (a)(c)

Scottish Equitable Fnd. Mgrs. Ltd.

Security Selection Ltd.

Stewart Unit Tst. Managers Ltd. (a)

Sun Alliance Fund Mngt. Ltd.

Target Tst. Mngrs. Ltd. (a)(g)

Tower Unit Trust Mngt. Ltd.

Trades Union Unit Tst. Managers

Transatlantic and Gen. Secs. Co.

Tyndall Managers Ltd. (a)(b)(c)

TSB Unit Trusts (y)

Ulster Bank (a)

Unit Trust Account & Mgmt. Ltd.

For Schlesinger Trust see Britannia/Schlesinger

INSURANCE PROPERTY BONDS

Abbey Life Assurance Co. Ltd.

Albany Life Assurance Co. Ltd.

AMEV Life Assurance Ltd.

Barclays Life Assur. Co. Ltd.

Beehive Life Assur. Co. Ltd.

Canada Life Assurance Co.

Cannon Assurance Ltd.

Capital Life Assurance

Charterhouse Magna Gp.

Chieftain Assurance Funds

City of Westminster Assurance

Commercial Union Group

Confederation Life Insurance Co.

Cornhill Insurance Co. Ltd.

Credit & Commerce Insurance

Crown Life

Crusader Insurance Co. Ltd.

Eagle Star Insur./Midland Assur.

Equity & Law Life Ass. Soc. Ltd.

Equity & Law (Managed Funds) Ltd.

Family Assurance Society

Assicurazioni GENERALI S.p.A.

General Portfolio Life Ins. C. Ltd.

Gresham Life Ass. Soc. Ltd.

Growth & Sec. Life Ass. Soc. Ltd.

Guardian Royal Exchange

Hambro Life Assurance Limited

Hearts of Oak Benefit Society

Hill Samuel Life Assur. Ltd.

Imperial Life Ass. Co. of Canada

Irish Life Assurance Co. Ltd.

King & Shaxson Ltd.

Langham Life Assur. Co. Ltd.

Legal & General (Unit Assur.) Ltd.

Legal & General Prop. Fd. Mgrs. Ltd.

Life Assur. Co. of Pennsylvania

Lloyds Life Assurance

London Indemnity & Gnl. Ins. Co. Ltd.

London Life Linked Assur. Ltd.

The London & Manchester Ass. Gp.

M & G Group

Manufacturers Life Insurance Co.

Merchant Investors Assurance

NEL Pensions Ltd.

NPI Pensions Management Ltd.

New Zealand Ins. Co. (UK) Ltd.

Norwich Union Insurance Group

Phoenix Assurance Co. Ltd.

Planned Savings Group

Prop. Equity & Life Ass. Co.

Property Growth Assur. Co. Ltd.

Providence Capitol Life Ass. Co. Ltd.

Provincial Life Assurance Co. Ltd.

Prudential Pensions Limited

Reliance Mutual

Rothschild Asset Management

Royal Insurance Group

Save & Prosper Group

Schroder Life Group

Scottish Widows' Group

Skandia Life Assurance Co. Ltd.

For Solar Life Assurance Ltd. see Sun Life Unit Assurance Ltd.

Standard Life Assurance Company

Sun Alliance Fund Mangmt. Ltd.

Sun Alliance Linked Life Ins. Ltd.

Sun Life of Canada (UK) Ltd.

Sun Life Unit Assurance Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

Tyndall Assurance/Pensions

Vanbrugh Life Assurance

Vanbrugh Pensions Limited

Welfare Insurance Co. Ltd.

Windsor Life Assur. Co. Ltd.

OFFSHORE & OVERSEAS FUNDS

Albany Fund Management Limited

Alexander Fund

Allen Harvey & Ross Inv. Mgt. (C.I.)

Alliance International Dollar Reserves

Arbuthnot Securities (C.I.) Limited

Bank of America International S.A.

Banque Bruxelles Lambert

Barclays Unicorn International

Bishopsgate Commodity Ser. Ltd.

Bridge Management Ltd.

Britannia/Schlesinger

Brown Shipley Tst. Co. (Jersey) Ltd.

Butterfield Management Co. Ltd.

Capital International S.A.

Charterhouse Japhet

Clive Investments (Jersey) Ltd.

Cornhill Ins. (Guernsey) Ltd.

Craigmount Fixed Int. Mngrs. (Jersey)

DWS Deutsche Ges. F. Wertpapiersp

Delta Group

Deutscher Investment-Trust

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Gartmore Invest. Ltd. Ldn. Agts.

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BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

1980 High	Low	Stock	Price £	+ or −	Int. Yield	Red. Yield
91	82¼	Aust. 5½pc '81-82	89	......	6.30	14.52
85¼	72½	Do. 6pc 1981-83	83½	......	7.27	12.62
67	58	N.Z. 7¼pc 1988-92	64¾	......	11.31	13.35
81½	72	Do. 7½pc '83-86	79½	......	9.56	12.82
96¾	88	Sth. Africa 9½pc '79-81	94¼	......	10.29	16.52
160	95	S. Rhod. 2½pc Non-Ass.	97	−3	—	30.33
169	133	Do. 6pc '78-81 N.-As.	142	......	—	29.99

LOANS

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

1980 High	Low	Stock	Price	+ or −	Div. Net	Cvr	Y'ld Gr's
14¾	925p	Hud.B.Oil G. $2½	12½	+⅛	t57½	—	1.7
21⅞	13⅛	Imperial Oil‖	15⅞	+⅛	$1.40	—	3.4
14	855p	Inco‖	970xd	+40	72c	—	2.8
565p	425p	Int. Nat. Gas $1	550p	+5	$1.00	—	6.9
495p	265p	Massey Ferg.‖	340p	+15	—	—	—
200p	100p	Place Gas $1	115p	......	—	—	—
14⅞	10⅝	Rio Algom	12¾	+¼	$1.50	—	4.5
20	14½	Royal Bk.Can. $2.	19¾xd	+¼	$2.56	—	4.9
25½	15⅞	Seagram Co. C$1	23¾	......	$US1.10	—	2.1
12	890p	Tor. Dom. Bk. $1.	11¾	......	$1.36	—	4.4
10½	815p	Trans Can. Pipe	915p	+15	$1.16	—	4.8

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Finance

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Central African

MINES—Continued

Australian

Tins

Copper

Miscellaneous

High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
180	78½	Anglo-Dominion	150	......	—	—	—
97	52	Barymin	60	+2	—	—	—
17	12	Burma Mines 10p	14	......	0.62	1.1	6.4
172	53	Colby Res. Corp.	172	......	—	—	—
502	290	Cons. Murch. 10c.	300	......	MQ100c	1.8	19.1
180	95	††Hemerdon 10c.	95	......	—	—	—
585	325	Northgate C$1	370	......	—	—	—
485	327	R.T.Z.	475	−2	15.0	3.2	4.5
33	16	Robert Mines	24	......	—	—	—
112	98	††SPO Minerals 10p	99	......	—	—	—
58	26	Sabina Inds. C$1.	29	......	—	—	—
51	38	††SWCM 10p	38	......	—	—	—
650	411	Tara Expln. $1	465	+10	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.
- §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1980-81. K Figures based on prospectus or other official estimates for 1979-80. M Dividend and yield based on prospectus or other official estimates for 1980. N Dividend and yield based on prospectus or other official estimates for 1981. P Figures based on prospectus or other official estimates for 1980-81. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xR ex capital distribution.

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

			IRISH		
Albany Inv. 20p	32	......	Conv. 9% '80/82	£91¾	......
Bertam	15	−1	Nat. 9¾% 84/89	£79¾	......
Bdg'wtr. Est. 50p	447	......	Fin. 13% 97/02	£94¾	......
Clover Croft	60	......	Alliance Gas	48	......
Craig & Rose £1	£11	......	Arnott	208	......
Fife Forge	32½	......	Carroll (P.J.)	64	......
Finlay Pkg. 5p	19	......	Clondalkin	120	......
Graig Ship. £1	£13½	......	Concrete Prods.	75	......
Higsons Brew	75	......	Helton (Hldgs.)	25½xd	......
Holt (Jos) 25p	252	......	Ins. Corp.	270	−5
I.O.M. Stm. £1	185	......	Irish Ropes	46	......
Pearce (C. H.)	465	......	Jacob	31	......
Peel Mills	42	−3	T.M.G.	80	−3
Sheff. Refrshmt	103	......	Unidare	77xd	......
Sindall (Wm.)	142	......			

OPTIONS

3-month Call Rates

Industrials					
A. Brew	7	I.C.I.	27	Utd. Drapery	6½
BOC Intl.	6	"Imps"	6½	Vickers	12
B.S.R.	4½	I.C.L.	14	Woolworths	5½
Babcock	8	Inveresk	4		
Barclays Bank	34	Ladbroke	15	**Property**	
Beecham	10	Legal & Gen.	15	Brit. Land	7
Blue Circle	25	Lex Service	8	Cap. Counties	9
Boots	16	Lloyds Bank	24	Land Secs.	24
Bowaters	15	"Lots"	5½	MEPC	17
B.A.T.	28	London Brick	6	Peachey	13
Brown (J.)	6	Lucas Inds.	17	Samuel Props.	12
Burton 'A'	10	"Mams"	14	Town & City	2
Cadburys	5½	Mrks. & Spncr	8		
Courtaulds	8	Midland Bank	26	**Oils**	
Debenhams	8	N.E.I.	5	Brit. Petroleum	32
Distillers	17	Nat. West. Bank	27	Burmah Oil	20
Dunlop	7½	P & O Dfd.	10	Charterhall	10
Eagle Star	15	Plessey	14	KCA	11
F.N.F.C.	2¼	Racal Elect.	22	Premier	13
Gen. Accident	21	R.H.M.	4½	Shell	35
Gen. Electric	30	Rank Org.	15	Tricentrol	48
Glaxo	18	Reed Intnl.	16	Ultramar	35
Grand Met.	12	Sears	5		
G.U.S. 'A'	34	Tesco	6	**Mines**	
Guardian	23	Thorn	23	Charter Cons.	14
G.K.N.	20	Trust Houses	12	Cons. Gold	49
Hawker Sidd	15	Tube Invest.	23	Lonrho	8
House of Fraser	15	Unilever	40	Rio T. Zinc	35
		U.D.T.	5½		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 28

FINANCIAL TIMES
Tuesday August 12 1980

OIL INDUSTRY MAKES RECORD RESPONSE

North Sea bids offer £175m bonus

BY RAY DAFTER, ENERGY EDITOR

THE GOVERNMENT is expected to reap at least £175m in bonuses from the oil industry's record response to the latest round of offshore oil and gas licences.

The industry has submitted 125 applications for 95 blocks offered in various parts of the UK Continental Shelf under the seventh round of licensing.

The applications were submitted by consortia comprising a total of 204 companies—many of them seeking a new role in oil exploration. The offer closed at mid-day yesterday.

It is the largest number of applications received by the Government since licensing began in 1964. The previous record was set in 1971-72, when 92 applications were received for 421 discretionary-award blocks on offer.

Mr. Hamish Gray, Minister of State for Energy, said that 55 of the blocks applied for were in areas designated by the Government. Applications for the other 40 blocks featured acreage selected by the companies themselves. The Government has said that it will charge £5m each for licences in the self-selection area of the North Sea.

As the Government is hoping to issue 90 new blocks in order to stimulate a new wave of exploration activity it will have to issue at least 35 of the self-nominated blocks, a move that will produce an immediate income for the Government of £175m.

All the new licences are expected to be awarded by the end of the year.

A feature of the seventh round is the number of applicants from UK companies with no previous oil exploration experience. Food companies, engineering groups, banks, financial institutions and fishermen are among those seeking new licences. The Government has indicated that it will favour applications from groups with a substantial UK content.

Premier Consolidated Oilfields, a UK independent oil company with existing North Sea interests, yesterday released details of its seventh-round bidding consortium which indicates the range of interests involved in the applications.

SEVENTH ROUND OIL LICENCE APPLICATIONS

Area	No. of blocks applied for	No. of blocks on offer
N.W. Shetland	22	34
Moray Firth	13	15
Southern North Sea	2	7
English Channel	10	12
S.W. Approaches	8	12
Company-nominated areas	40	—
TOTAL	95	34

Schmidt may try to end steel row

BY ROGER BOYES IN BONN

CHANCELLOR Helmut Schmidt, anxious to avoid a big upheaval in German labour relations shortly before the October parliamentary elections, is prepared to intervene personally to break the deadlock between the Mannesmann steel concern and Ig-Metall, the powerful metal workers' union.

After a morning of fruitless talks between Mannesmann and Ig-Metall, Government officials said that the Chancellor would be ready to mediate if necessary.

The row arises from Mannesmann's plans to merge its pipes and steel producing divisions, a move which would allow it to escape the terms of the 1951 Co-determination Act providing for strict parity between workers' and shareholders' representatives on the supervisory boards of steel and coal companies.

Officials said yesterday that they hoped the two sides would get together again before the Mannesmann supervisory board meets on September 15 to try to reach some kind of accommodation. If neither side shows itself willing to do this, high-level Government mediation may become necessary.

Some 200 Social Democratic deputies have signed a draft Bill that would guarantee that the strict parity rules remained in force at Mannesmann. They announced yesterday that they would summon an emergency party meeting to decide whether to reconvene Parliament and put forward the Bill.

However, the Free Democrats, the Social Democrats' junior coalition partners, have already made clear that they would not vote in favour of such a Bill. Mannesman, the Free Democrats say, should have the right to reorganise its company structure as it wishes.

Herr Egon Overbeck, the Mannesmann chief executive, yesterday put forward a two-stage compromise which was quickly rejected by Herr Rudolf Judith, IG-METall's chief negotiator. Under Herr Overbeck's offer, the pipes division would be responsible for managing the steel division for the first six months of next year, but the steel side would remain a part of the parent company.

This proposal incorporates an earlier IG-Metall suggestion, and would have the merit from the union's point of view of ensuring that the strict parity rules would stay in force. But after June 30, 1981, the two divisions would go ahead with their merger, and the company would be released from the 1951 Co-determination Act. The advantage of this would be that the new government which will be elected in October would have at least six months to introduce new legislation.

Editorial Comment Page 12

Airline cuts London to Belfast fare

By Our Belfast Correspondent

BRITISH MIDLAND Airways, one of the UK's major independent airlines, is to cut its London (Gatwick) to Belfast return fare by £10, bringing it down to £66 and undercutting the British Airways' Heathrow-Belfast Shuttle return rate of £86 by £20.

British Midland's plans, announced in Belfast yesterday by Mr. Michael Bishop, chairman and managing director, immediately set British Airways the problem of deciding whether or not to match the move.

Late yesterday, British Airways had still not made up its mind but may make a statement today. While the airline is anxious not to lose traffic to a competitor, it must also pay attention to the present steep upward trend in costs, especially of fuel.

There also appears to be little enthusiasm in British Airways or other airlines for another air fares war similar to that on the North Atlantic route and the oneb uilding up route and the one building up national flights.

British Midland's reduction, to start on October 1 if approved by the Civil Aviation Authority, will be the first substantial cut on standard domestic routes within the UK. Many fares were raised last April 1.

The independent airline operates the Gatwick to Belfast service with low cost jet-prop *Viscounts in competition* with BA's Shuttle.

Mr. Bishop said in Belfast the airline now carried slightly more than 20 per cent of the London to Belfast passenger traffic and he believed the planned fare cut would increase this to at least a quarter.

Passenger carrying on the five UK services operated from Belfast by British Midland (to Gatwick, Liverpool, East Midlands, Jersey and the Isle of Man) had increased by 12 per cent up to July this year.

One flight that will be cheaper, Page 6

Iran in bank compensation move

BY OUR FOREIGN STAFF

SHAREHOLDERS in the 47 Iranian banks nationalised last June will receive compensation amounting to 61bn Iranian rials, Mr. Ali Reza Nowbari, the Governor of the Central Bank, announced in Tehran yesterday. He also said foreign shareholders would receive between $30m and $40m.

There is no spot foreign exchange market for the Iranian rial in London, but at the official exchange rate of about rial 70 to the U.S. dollar, the total sum amounts to $870m.

It was not clear last night whether the amount due to foreign shareholders would be paid in dollars, or whether it would be affected by current legal actions between Iran and some Western banks.

Former foreign shareholders in the nationalised Iranian banks did not appear to have been informed last night of the mooted terms for compensation. "I shall be highly sceptical until I see something tangible," one London banker said.

Mr. Nowbari intimated that foreign shareholders would be receiving less than the book value of their holdings because some of the banks had incurred heavy losses, which he ascribed to poor management and bad loans. Western bankers pointed out that part of these losses could well have been the result of the Iranian revolution.

The promised compensation could be cancelled or changed with the formation of the new Iranian Government now expected, following yesterday's approval by the Iranian Parliament of Mr. Mohammed Ali Rajaii as Prime Minister.

However, Mr. Nowbari could well keep his job as central bank Governor. Although new to banking when appointed last November, the 32-year-old Mr. Nowbari has gained a reputation for competence, and President Bani Sadr is believed to have insisted that he should be retained.

Before the nationalisation last June, foreign shareholders were allowed maximum holdings of 35 per cent of Iranian banks.

Vauxhall puts men on short time

BY JOHN GRIFFITHS

SOME 11,000 employees at Vauxhall Motors' Luton and Ellesmere Port plants were told yesterday they face short-time working "for the balance of the calendar year."

At the Dunstable trucks plant, 6,000 were warned of redundancies from September as well as short-time working.

The news means that all four major UK car manufacturers are working short-time.

Actual details remain to be worked out. Vauxhall said last night. It blamed the measures on the recent steep fall-off in demand for cars and trucks and warned that Vauxhall's situation was "very serious."

Workers returned yesterday from the annual two-week holiday shutdown to find notices telling them of the moves.

All production and assembly departments at the Ellesmere Port and Luton car plants are expected to be affected by the measures. While most of the car plants' difficulties arise from the depressed UK market, Dunstable's problems centre on its exports of KD (kit) truck units, which are expected to drop to 60 per cent of current levels by October because of falling world-wide demand.

The production cuts are the second by Vauxhall this year. All car and light van production was stopped for two weeks in June.

Until now, Vauxhall, owned by General Motors of the U.S., had been faring rather better than its European sister company, Opel. This company has already announced plans to make 5,900 redundant at its West German plants.

Petrol price

Continued from Page 1

numbers of garages in places where competition was particularly fierce.

But the group said the temporary wholesale price cut would not automatically be passed on to motorists. It stressed that the move was primarily designed to ease pressure on retailers — whose margins were being progressively *squeezed — rather than* to encourage further price slashing at the pumps.

Esso clearly hopes for an upturn in the market during the next few months so that it can withdraw its short-term 1.73p wholesale price reduction. But at present there is little sign of any improvement.

Stocks of petrol are high and demand is well down on what the major producing companies had expected. Refineries are *operating at well below their* full capacity.

BP Oil estimate that its refineries were operating at around 75 per cent of capacity —10 per cent down on levels for this time last year. BP reckoned that its refineries could be operating at a higher capacity than the present average for the industry.

Meanwhile some leading oil companies admit that it would be cheaper for them to buy *products such as petrol on the* European spot market than to make it in their own refineries.

Clampdown on covert investors suggested

BY CHRISTINE MOIR

COMPANIES COULD be given legal powers to cancel shares held by investors who refuse to reveal their identities if the *most Draconian measures suggested* in a Department of Trade consultative document published yesterday are adopted.

At present companies can disenfranchise anonymous shareholders, but the Government is prepared to offer stronger powers in the wake of De Beers Consolidated Mines' controversial build-up of an undisclosed 15 per cent stake in Consolidated Gold Fields.

De Beers exploited loopholes in existing company law which does not require groups of investors acting together—"concert parties"—to disclose their common link. It also made use of stock market mechanisms which allowed it to delay registering shares it had secretly acquired.

In the wake of this operation Consolidated Gold Fields sought a Department of Trade inquiry and a Stock Exchange investigation. These brought demands for changes in the ... pany law prov... parties holding ... cent of a company's capital in common.

Yesterday's discussion paper, however, does not commit the Government to taking a lead on any changes. It warns, for instance, that there could be legal pitfalls in attempting to define a "concert party."

It also points out that compulsory registration of shares within a time limit could be *commercially restrictive.*

If there is strong demand from the financial community ... ous shareholders, these could be drafted in time for the next Companies Bill, due to be presented to Parliament by the end of the year.

The document carries clear Government commitment that companies should be able promptly to find out the names and intentions of significant shareholders.

At the same time it conveys doubts *whether company law* will ever be able to guarantee that right.

Legal curbs on "dawn raids" unlikely, Page 6

Carter bids for Kennedy support

By Jurek Martin, U.S. Editor, in New York

INCH BY inch, President Carters' advisers yesterday were negotiating the arrangement which would strengthen his presidential candidacy by making possible the support of his principal rival inside the Democratic Party, Senator Edward Kennedy from Massachusetts.

Some of Mr. Kennedy's supporters were unofficially promoting other "favourite sons" candidacies in a last-ditch attempt to deny Mr. Carter a first-ballot victory tomorrow night. "Favourite sons" control the votes of their State delegations, and use their support to bargain *with the national candidate.*

Mr. Ron Dellums, the prominent black Congressman from California, and the more obscure Lieutenant-Governor of New Mexico, were two to announce their quixotic entry into the lists.

But the focus of all the negotiations has been on economic issues. Senator Kennedy welcomed the latest concessions acepted by the Carter camp on the economic elements of the party's platform. "We are now getting," he said, "the kind of platform I welcome and could take across the country and run on."

His words were tinged, however, with irony, perhaps unconscious, because it looks increasingly certain that it will be President Carter, not Mr. Kennedy, who will be chosen to do the running by the convention tomorrow night. But Mr. Kennedy has made his support of the nominee contingent on adoption of what he believes to be the right economic policies.

Mr. Hamilton Jordan, Mr. Carter's political maestro, warned yesterday that the President would only go so far in accepting some of Mr. Kennedy's more liberal economic proposals. There is fear in the Carter camp that their adoption by the Convention could have an adverse impact on financial markets.

But others argue that it is more important to forge party unity this week and that, in any case, the party platform is a document of transient importance which will soon be forgotten in the campaign proper.

This latter school believes that Mr. Carter would be no more handicapped than is Mr. Ronald Reagan, the Republican candidate, by the more doctrinaire conservative stance on social issues taken by the Republican Party in its platform formulated in Detroit last month.

As it is, the Carter side has agreed that the convention should consider several of the least controversial proposals advanced by the Kennedy forces.

Weather

UK TODAY

Showers. Sunny intervals.

London, S.E., C., S., E., S.W. England, E. Anglia, E. Midlands

Sunny intervals, mostly dry. Max. 20C. (68F.).

W. Midlands, N. Wales, C., N., N.W. England, N.W., S.W. Scotland, C. Highlands, Ulster

Sunny intervals, showers developing. Max. 19C. (66F.).

Outlook: Mostly dry at first but rain in the south-west spreading to all parts later.

WORLDWIDE

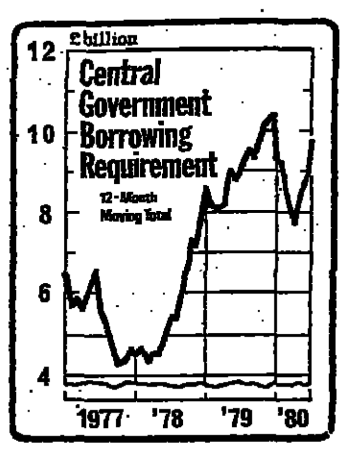
		Y'day midday °C	°F			Y'day midday °C	°F
				Lisbon	S	27	81
Ajaccio	S	27	81	Locarno	S	26	79
Amsdm.	F	24	75	London	C	19	66
Athens	S	33	91	Luxmbg.	F	21	70
Bahrain	S	40	104	Luxor	S	40	104
Barclna.	C	25	77	Madrid	S	35	95
Beirut	S	30	86	Majorca	S	29	84
Belfast	C	18	64	Malaga	F	24	75
Belgrd.	F	26	79	Malta	S	31	88
Berlin	F	21	70	M'chstr.	R	16	61
Biarritz	S	23	73	Melbne.	C	13	55
Bmghm.	R	15	59	Milan	S	28	82
Blackpl.	C	17	63	Moscow	R	16	61
Bordx.	C	24	75	Munich	F	23	73
Boulgn.	C	17	63	Nairobi	C	20	68
Bristol	C	17	63	Naples	F	30	86
Brussels	F	24	75	Nwcstl.	C	16	61
Budpst.	F	24	75	Nice	S	25	77
B. Aires	S	15	60	Oporto	F	21	70
Cairo	S	35	95	Oslo	S	21	70
Cardiff	C	18	64	Paris	C	22	72
Cape T.	C	16	61	Perth	S	16	61
Cologne	F	24	75	Prague	F	21	70
Cpnhgn.	C	18	64	Reykjvk.	C	12	54
Corfu	S	39	90	Rhodes	S	32	90
Dublin	F	19	66	Rio J'o	C	27	80
Ednbgh	C	18	64	Rome	S	28	82
Faro	S	31	88	Salzbrg.	C	23	73
Florence	S	30	86	Singapr	C	28	82
Frankft.	S	24	75	Stckhm.	C	15	59
Funchal	S	25	77	Strasbg.	F	25	77
Geneva	S	25	77	Sydney	S	23	73
Gibraltar	S	21	70	Tangier	S	23	73
Glasgow	C	17	63	Tehran	S	29	84
G'rnsey	R	16	61	Tel Aviv	F	29	81
Helsinki	C	17	63	Tenerife	S	27	81
H. Kong	S	31	88	Tokyo	C	27	81
Innsbrk.	F	26	79	Tunis	S	31	88
Invrnss.	R	17	63	Valencia	S	29	84
Jersey	R	17	63	Venice	S	28	82
Jo'burg	S	15	59	Vienna	F	24	75
L. Plms.	S	26	79	Warsaw	F	18	64
		°C	°F	Zurich	S	23	73

C—Cloudy. F—Fair. R—Rain. S—Sunny.

THE LEX COLUMN

Funding the town hall deficit

Index fell 2.1 to 479.0



The heady effects of last week's large official injections of liquidity, which helped the gilt-edged market rally strongly on Thursday and Friday, seemed to have worn off yesterday. Long-dated stocks lost a point or so, and the partly-paid Treasury 13 per cent 2000 closed at £73¾, less than a point above the lowest levels touched last week.

The market was not helped by the central government borrowing figure for July, which emerged £800m above the level of July, 1979. Revenue has not been a problem, despite the weakening of the economy, but expenditure is running well above budget. A third of the way through the 1980-81 financial year, the borrowing requirement has already reached nearly 60 per cent of *the £9.3bn target.*

Most of the deterioration in the July figure stems from heavy borrowing from the National Loans Fund—£416m against net repayments of £90m in July, 1979—much of it by local authorities. This is perhaps surprising: now that the corset is off, local authorities are free to borrow from the banks again, and the July banking figures suggest they were not being shy about doing so. They would normally prefer long borrowings from the NLF only when they did not expect *interest rates to fall.* As it is, their enormous borrowing is one reason rates are not falling.

Nottingham Manufacturing

Nottingham Manufacturing's interim figures presage terrible results for other companies in the textile sector. Nottingham, which has escaped being rated in line with the sector due to its past growth record, has seen trading profits fall from £4.5m to £2.3m. Higher interest rates *have pushed up investment income* by a third, so the decline at the pre-tax level has been held to 33 per cent, at £4.1m. Volume is down 10 per cent or so across the board, and with prices squeezed, trading margins have been halved. Carpets are now barely in profit, while the group is particularly vulnerable to Marks and Spencer's price cuts since it makes the yarns as well as the finished product and cannot pass the pressure on to a supplier.

The group seems to have been ruthless in cutting back stocks, while capital expenditure will be well down on last year's £8m. So even if pre-tax profits for the year are held at £12m, against £16.8m, the company's cash holdings should continue to expand. But the pinpointing of suitable acquisitions seems as far away as ever. With further organic growth on any scale unlikely, the prospective p/e of about 10½, fully-taxed, may prove vulnerable. The share price fell 7p yesterday to 89p, where the yield is about 6 per cent, assuming the final dividend, like the interim, is unchanged.

Pegler-Hattersley

The $80m sale of McEvoy, the oilfield valves company jointly owned by Rockwell and Pegler-Hattersley, may have been decided by Rockwell, the 51 per cent partner, but Pegler cannot be unhappy to receive £16½m for a business that contributed about £1½m pre-tax last year. The sum of £16½m works out at around 56p per Pegler share; this aside, at last night's price of 122p the group is valued at a mere 3¼ times fully-taxed 1979-80 earnings. Pegler looks vulnerable to a bid—unless it has some good use for the money, it should look for ways to give it back to shareholders.

U.S. oils

The second quarter figures published by the U.S. oil majors have generally shown a healthy increase over 1979 levels, but in some areas cracks are beginning to appear. Chemical earnings are universally weak, and the international companies have seen a sharp drop in refining and marketing margins, particularly in Europe. In the U.S. itself, downstream earnings have held up quite well, but since June price-cutting has been widespread, and the third quarter figures may tell a different story.

The companies which have come out best so far are those U.S. domestic majors with an increasing supply of crude oil: the figures from Sohio and Atlantic Richfield reflected higher production from Alaska as well as the benefits of the gradual de-control of domestic energy prices. For the *international groups the trading position* has been much more difficult. The Aramco partners, who enjoy access to Saudi oil at the official price, are still at an advantage over their competitors but it is far less pronounced than in the first quarter. Since then the premium of spot market crude over the price that they pay has roughly halved to around $4 a barrel.

The second quarter figures from Shell and BP which will be published shortly will show these companies struggling, like the U.S. international majors, with factors beyond their control—surplus OPEC production *and swiftly falling demand in* Europe. But at least both groups have the advantage of consolidating crude-rich U.S. domestic subsidiaries.

5% rule

There is one really good idea for new legislation in the Department of Trade's consultative document o n the disclosure of significant shareholdings in companies. If a company is unable to obtain the appropriate information about who owns its shares then, the document suggests, it might be given powers to apply to the courts for permission to cancel the shares involved and credit the capital which they represent to undistributable reserves. That would really put the frighteners on anyone who thought he could evade the current requirements—if, for instance, he was not amenable to the legal process in the UK.

The document also discusses worthwhile suggestions for toughening the existing definitions *of what constitutes a dis*closable interest in a company. The current weaknesses here were made all too obvious in the way that De Beers treated Consolidated Gold Fields earlier this year.

But the study dismisses the idea that the law should be changed to catch people who act in concert to acquire a substantial interest in a business. This is a pity. Contrary to suggestions in the document, the Williams Act in the U.S. seems to work quite well and the Take-over Panel in London does not usually have much trouble in identifying a concert party. Although there would need to be carefully defined exceptions to the rules, legislation in this area really does seem desirable.

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